



PAKISTAN TELECOMMUNICATION AUTHORITY
HEADQUARTERS, F-5/1 ISLAMABAD
Ph: 051-9225328 Fax: 051-9225338

Enforcement Order under sub-section 3 of Section 23 of the Pakistan
Telecommunication (Re-organization) Act, 1996 against
M/s A Tel Communication (Pvt.) Ltd.

File No. PTA/Finance/CPPS/A Tel Comm/96/2006

Date of Issuance of Show Cause Notice: 2nd October 2006
Venue of Hearing: PTA H/Qs, Islamabad
Date of Hearing: 29th November 2006

The Panel of Hearing:

Director General (Finance)	Head
Director (Litigation & Adjudication)	Member
Director (Wireline Licensing)	Member

The Issue:

“Non-payment of PTA dues and failure in submission of annual audited accounts”

EX-PARTE DECISION OF THE OFFICERS OF THE AUTHORITY

1. BRIEF FACTS:

1.1 M/s A Tel Communication (Pvt.) Ltd. (the “licensee”) was awarded a non-exclusive license No. DIR(C)/L/PTA/505/2003 dated 26-04-2003 by the Pakistan Telecommunication Authority (the “Authority”) to establish, maintain and operate Card Pay Phone Services in Punjab Province on the terms and conditions contained in the license. As a licensee of the Authority, M/s A Tel Communication (Pvt.) Ltd. was required to comply with the provisions of the prevailing regulatory laws comprising of the Pakistan Telecommunication Authority (Re-organization) Act, 1996 (the “Act”), the Pakistan Telecommunication Rules, 2000 (the “Rules”), Pakistan Telecom Authority (Functions & Powers) Regulations, 2004 (the “Functions & Powers Regulations”), Card Pay Phone Service Regulations, 2004 (the “Regulations”) and the terms and conditions of the license.

1.2 Provisions of clause 8.1 of Appendix B of the Rules, sub-clause (5) of clause 7 of the Regulations and clause 3.1 and 3.2 of the conditions of the license make it obligatory on the licensee to deposit annual license fee in the first quarter of every financial year and also to submit audited financial statements and summary of the accounts to the Authority within three months of the closing date of each financial year.

1.3 The licensee i.e. M/s A Tel Communication (Pvt.) Ltd. has a total outstanding of Rs. 198,000/- against annual license fee for the years ended June 30, 2004 and 2005. The licensee failed to deposit the said outstanding amount and did not submit annual audited accounts for the years ended June 30, 2004 and 2005 despite various correspondence letters issued by the Authority. Hence, a Show Cause Notice under section 23 of the Act was issued to the licensee on 2nd October 2006, which was neither responded by the licensee within the prescribed period of thirty days nor returned undelivered.

1.4 In order to proceed further in the matter, the licensee was required to appear before the hearing panel (for personal hearing) through Hearing Notice dated 23rd November 2006 on available addresses for hearing on 29th November 2006 but none on behalf of the licensee appeared before the hearing panel nor the hearing notices were returned undelivered.

2. ORDER

2.1 Since the licensee failed to appear for personal hearing and present its stance, the hearing panel is left with no other option but to decide the matter *ex-parte* on the basis of available record. The hearing panel has also noted with great concern the licensee's attitude towards today's hearing and its previous track record.

2.2 Today's hearing was convened not to necessarily impose any penalty on the licensee but to listen to the licensee's reasons, if any, for the aforementioned violation committed by it and to pass an appropriate order in the matter. However, to reiterate, since the licensee has failed to appear and has kept us deprived of its point of view and this situation has constrained us to follow the record available before us and to decide the issue *ex-parte* in its absence.

2.3 We carefully perused the record with the assistance of officers from Finance Division of the Authority, and came to the conclusion that the licensee has violated the provisions of the Rules, Regulations and the terms and conditions of the license by not paying PTA dues and failing to submit annual

audited accounts and has thus exposed itself to the penal provisions of sub-section (3) of section 23 of the Act. Hence, we hold and decide as under:

- (a) the Card Pay Phone Service License, bearing number DIR(C)/L/PTA/505/2003 issued by the Authority dated 26-04-2003, of the licensee is hereby SUSPENDED with immediate effect;
- (b) the Licensee is directed to deposit outstanding annual license fee of Rs. 1,98,000/- and provide annual audited accounts for CPPS License pursuant to Show Cause Notice dated 2nd October 2006 and other dues, if any, piled up against the licensee so far, within 30 days of this enforcement order and submit compliance report, at which its license will be restored;
- (c) in case of failure of the licensee to deposit PTA dues as provided in Para 2.3 (b) above, license No. DIR(C)/L/PTA/505/2003 of the company shall STAND TERMINATED and recovery proceedings under section 30 of the Act shall be initiated by the Authority against the company for recovery of dues as arrears of land revenue; and
- (d) M/s PTCL is informed of the instant enforcement order and directed to suspend forthwith the telecommunication facilities extended to the licensee till further orders.

Director (Licensing)

Director (Litigation & Adjudication)

Director General (Finance)

This enforcement order is passed on ___ December 2006 and comprises ___ pages.