



PAKISTAN TELECOMMUNICATION AUTHORITY
HEADQUARTERS, F-5/1 ISLAMABAD
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**Order of the Officers of the Authority under section 23 of the Pakistan
Telecommunication (Re-organization) Act, 1996**

Date of Issuance of Show Cause Notice: 2nd October, 2012
Venue of Hearing: PTA HQs, Islamabad
Date of Hearing: 28th January, 2014
16th July, 2014

The Hearing Panel:

- | | | |
|----|----------------------|------------------------------|
| 1. | Dr. Mohammed Saleem: | Director General (Finance) |
| 2. | Ali Asghar: | Director General (L&R) |
| 3. | Rizwan Ahmed Hyderi: | Director General (Licensing) |

The Issue:

**Non-Submission of Annual Audited Accounts and Non-Payment of Annual
Regulatory Dues for the years ended June, 2007 to 2011**

DECISION OF THE OFFICERS OF THE AUTHORITY

1. Brief facts of the case:

1.1 Stanley Telecom (Pvt) Limited (the “licensee”) was awarded non-exclusive CVAS-License No. DIR(C)/L/PTA/633/2004 dated 20th March, 2004 (the “license”) by Pakistan Telecommunication Authority (the “Authority”), to establish, maintain and operate Card Payphone Services in Pakistan, subject to the terms and conditions contained in the license.

1.2 As per license condition No. 2.3 read with regulation 11 of the Class Licensing and Registration Regulations, 2007 and regulation 23 of the Pakistan Telecommunication Authority (Functions & Powers) Regulations, 2006 makes it obligatory on the licensee to submit Annual Audited Financial Statements and summary of accounts within three months to pay Annual License Fee within 120 days of the close of financial year.

1.3 The licensee was required vide letters dated 10th Nov 2008, 21st Nov 2008, 22nd September 2010, 3rd October, 2011 to submit Annual Audited Accounts along with Annual License Fee for the year ended on 30th June, 2011, but in vain.

1.4 However, due to non-submission of Annual Audited Accounts and non-payment of Annual License Fee, this Show Cause Notice dated 2nd October, 2012 was issued to the licensee under section 23 of the Act requiring it to remedy the aforementioned contravention by submitting Annual Audited Accounts along with the Annual License Fee including Late Payment Additional Fee @ 2% per month of part thereof for the year ended on 30th June, 2007 till 2011 within seven (07) days of the issuance of this Notice and also to explain in writing, within thirty (30) days of the issuance of this notice as to

why the license should not be suspended, terminated or any other enforcement order should not be passed against the licensee under section 23 of the Act for the aforesaid contraventions.

1.5 In order to proceed further in the matter, the matter was fixed for hearing on 28th January, 2014 and 16th July, 2014. It would not be out of context to mention here that the licensee has not replied to the SCN, however while replying to hearing notice, the licensee informed that Stanley Telecom (Pvt.) Limited was closed in 2007 and its LL license was transferred to Brain Telecommunication (Pvt.) Limited. Later on, in response to PTA letter dated 4th February, 2015, the licensee vide letter dated 6th February, 2015 referring its earlier letter dated 30th September, 2014 further explained that due to heavy losses, card pay phone business was closed in 2007 and the same was duly informed to STR-II, STR-III Karachi. Therefore, in such circumstances it is not possible to present accounts from 2007 to 2011 as directed by PTA.

2. Order:

2.1 Considering the aforementioned factual position and verification of the record as stated by the licensee, the licensee has closed its business without informing the Authority with regard to cancellation / withdrawal / surrender of its license. The license awarded to the company is hereby suspended for a period of one month or till the submission of Annual Audited Accounts and payment of Annual License Fee, in any, including late payment additional fee @ 2% per month or part thereof on the outstanding amount from the due date until paid.

2.2 In case of non compliance of above para 2.1 above, the license No. DIR(C)/L/PTA/633/2004 dated 20th March, 2004 shall stand terminated without any further notice and recovery proceedings under section 30 of the Act shall be initiated against the company for recovery of all payable dues as arrear of land revenue.

2.3 PTCL, CMOs, LDI and LL licensees are directed to forthwith terminate all telecommunication facilities extended to the license pursuant to the license till further orders of the Authority

Dr. Muhammad Saleem
Director General (Finance)

Ali Asghar
Director General (Law & Regulations)

Rizwan Ahmed Hyderi
Director General (Licensing)

This order is passed under delegated powers of the Authority which is appealable under section 7 of the Pakistan Telecommunication (Re-organization) Act, 1996 and signed on ____ day of May, 2015 and comprises of 02 pages only.