



PAKISTAN TELECOMMUNICATION AUTHORITY
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Hearing: 12th September,2006

File No.15-26/CPPS-91 /Fin / PTA

EX-PARTE DETERMINATION IN CASE OF M/S. COUNTRY
TELECOMMUNICATION(PVT.) LTD

1. BRIEF FACTS OF THE CASE

1.1 M/s Country Telecommunication (Pvt.) Ltd. (the “licensee”) was awarded a non-exclusive license No.DIR(C) /L/PTA/394/2002 Dated 09-03-2002, (the “license”) by the Pakistan Telecommunication Authority (“the Authority”) to establish, maintain and operate Card Pay Phone Services in Pakistan on the terms and conditions contained in the license under the brand name of “COUNTRY TELL.”. As a licensee of the Authority, M/s. Country Telecommunication (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), the Card Pay Phone Service Regulations, 2004 (the “Regulations”) and the terms and conditions of the license.

1.2 The provisions of clause 8.1 of the Appendix B of the Rules, sub-clause (5) of clause 7 of the Regulations and clause 3.3 and 3.5 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 dated of each financial year.

1.3 The licensee i.e. M/s Country Telecommunication (Pvt). Limited has a total outstanding balance of Rs-3,15,000/- against annual license fee, till the year end June 30th 2004. The licensee failed to submit its “AAA” despite many reminders in this regard given by the Authority .Hence, a show cause notice was issued to the licensee on 17th July 2006, which was duly responded to vide a letter dated 15th August 2006, in which the licensee requested for a relaxation from any kind of commitments for at least 6 months and submitted that AAA will be provided in due courses of time .

1.4 Considering their reply, the licensee was sent a Hearing Notice on 30th August 2006, for appearing before the hearing panel for today’s hearing. It is pertinent to mention here that the Hearing Notice was sent on the same address on

which the Show Cause was served, however, the hearing notice was received back undelivered by the office of the Authority.

1.4 In order to decide the issue of out standing dues a hearing was convened on 12th September, 2006 by the Hearing Panel, comprising of the following officers of the Authority:

- A Director General (Finance);
- B Director (Licensing); and
- C Director (L & A)

2. ORDER

2.1 Since the licensee failed to appear and present its stance, the hearing panel, being left with no other option but to decide the matter on the basis of available record. The hearing panel has also noted with great concern the licensee's attitude towards today's hearing. The fact of receiving the show-cause notice on the same address on which the hearing notice was served lead us to the only presumption that the hearing notice was served on the correct address of the licensee but the licensee has intentionally refused to accept the same to avoid attending today's hearing. This is unfortunate on the part of the licensee.

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 commission of 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 which situation has constrained us to follow the record available before us.

2.3 We carefully perused the record with the assistance of the officers from the Finance Division of the Authority, and came to the conclusion that the licensee has unfortunately violated the provisions of the Rules, Regulations and the terms and conditions of the license and has thus exposed itself to the penal provisions of sub-section (3) of section 23 of the Act. Proceeding under the aforementioned provisions of the Act, hence, we hold as under:

- (a) The Card Pay Phone License bearing number DIR(C) /L/PTA/394/2002 Dated 09-03-2002, of the licensee is SUSPENDID with immediate effect;
- (b) The Licensee is directed to deposit annual license fee for CPPS pursuant to show cause notice dated 17th July,2006 and the other dues piled up against the licensee so far, within fifteen days of this determination and submit compliance report; and

- (c) In case of the licensee's failure to comply with the aforementioned directions within the aforementioned time, the licensee shall be deemed as having been terminated.

M/s PTCL is informed of the instant determination for taking action in the matter accordingly.

DG(Finance)

DIRECTOR(L&A)

DIRECTOR(Licensing)

This determination is passed on 12th September, 2006 and comprises 3 pages.