



PAKISTAN TELECOMMUNICATION AUTHORITY
HEADQUARTERS, F-5/1 ISLAMABAD
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**Enforcement order under sub-section 3 of section 23 of the Pakistan
Telecommunication (Re-organization) Act, 1996 against I-Track (Pvt) Limited**

File No. PTA/Finance/VTS/1091/2010

Date of Issuance of Show Cause Notice: 22nd July, 2010

Venue of Hearing: PTA HQs, Islamabad
Date of Hearing: 7th October, 2010

The Authority present:

S. Nasrul Karim A. Ghaznavi: Member (Finance)
Dr. Khawar Siddique Khokhar: Member (Technical)

The Issue:

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

DECISION OF THE AUTHORITY

BRIEF FACTS:

I-Track (Pvt.) limited (the “licensee”) is awarded non-exclusive license No.DIR (C)/L/PTA/664/2004 dated 24th August, 2004 by the Pakistan Telecommunication Authority (the “Authority”) to establish, maintain and operate Vehicle Tracking Services in Pakistan on the terms and conditions contained in the license.

2. As a licensee of the Authority, I-Track (Pvt.) limited 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 Pakistan Telecommunication Authority (Function & Powers) Regulations, 2006, Class Licensing and Registration Regulations, 2007 and the terms & conditions of the license. Whereas in this case the licensee has violated condition 20.1 (b), 2.02 and 7.1 of its license, sub-regulation (6) and (7) of regulation 23 of the Pakistan Telecommunication Authority (Function & Powers) Regulations, 2006, and sub-regulation (1) of regulation 11 of the Class Licensing and Registration Regulations, 2007 by failure in submitting annual audited accounts and paying annual license fee for the years mentioned in Para 3, below, within the time period given in the license.

3. The licensee has failed to submit its annual audited accounts alongwith annual license fee for the years ended on 30th June, 2006 to 2009. In this regard the Authority made various requests to the licensee but in vain. Hence, the Authority issued Show Cause Notice (the "Notice") dated 22nd July, 2010 under section 23 of the Act whereby required the licensee to remedy the contravention by submitting annual audited accounts alongwith annual license fee for the years ended on 2006 to 2009 within seven days and also submit written reply to the Notice within thirty (30) days of the issuance of the Notice and explain as to why the license should not be suspended, terminated or any other enforcement order should not be passed under section 23 of the Act against the licensee. In response the licensee submitted annual audited accounts for the years 2005 and 2006 and revenue statement duly signed by its Auditor for the years 2007 to 2009. On the basis of aforesaid audited accounts and revenue statement, provisional demand note of annual license fee of Rs.33,810/- was issued which it paid accordingly, but still it has not submitted annual audited accounts for the years 2007 to 2009, hence, committed violation of the provisions of the license and the Act.

4. Therefore, before passing an enforcement order a Hearing Notice dated 30th September, 2010 was issued and served on the licensee whereby informed the licensee to attend the hearing dated 7th October, 2010. Mr. Zafar Hayat Baber, Project Director, representative of the licensee, attended the hearing on the said date and requested for some time for providing the aforesaid audited accounts.

5. ORDER

5.1. Keeping in view the above mentioned facts coupled with the available record and positive attitude of the licensee, the Authority hereby dispose of the aforesaid show cause notice in the following terms:

- (a) The licensee, I-Track (Pvt) Limited is hereby directed to submit annual audited for the years ended on 30th June, 2007 to 2009 within fifteen days of the issuance of the determination.
- (b) In case of failure of the licensee to submit annual audited accounts as provided in Para 5.1 (a) above, its license No. DIR (C)/L/PTA/664/2004 dated 24th August, 2004 shall stand SUSPENDED w.e.f 3rd December,2010 while in case of submission of annual audited accounts for the period mentioned in para 5.1 (a) above, its aforesaid license shall be restored.

(Sayed Nasrul Karim A. Ghaznavi)
Member (Finance)

(Dr. Khawar Siddique Khokhar)
Member (Technical)

6. This determination signed on 03-11-2010 and comprises 02 pages.