



**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 M/s. Sattar Enterprises  
(PVT.) Ltd**

**File No. 15-26/CPPS-116/Fin/PTA**

Date of Issuance of Show Cause Notice: 17<sup>th</sup> July, 2006  
Venue of Hearing: PTA HQs, Islamabad  
Date of Hearing: 4<sup>th</sup> October, 2006

**The Panel of Hearing Present:**

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

**The Issue:**

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

**EX-PARTE DECISION OF THE OFFICERS OF THE AUTHORITY**

**BRIEF FACTS:**

M/s. Sattar Enterprises (Pvt.) limited (the “licensee”) is a private limited Company incorporated under the Companies Ordinance, 1984 and is engaged in the business of Card Payphone services pursuant to the non-exclusive license No. DIR(C)/L/PTA/423/2002 dated 22<sup>nd</sup> July, 2002 which was upgraded to province level vide No. Dir (C)/L/PTA/423/2004 dated 8<sup>th</sup> June, 2004 (the “license”) issued by the Pakistan Telecommunication Authority (the “Authority”) to establish, maintain and operate Card Payphone services in the province of Punjab on the terms & conditions contained in the license.

2. The licensee defaulted in payment of PTA dues for the years ended 30<sup>th</sup> June, 2004 amounting to Rs.50,000/- as well as not provided its annual audited accounts for the period ended 30<sup>th</sup> June, 2005. In this regard the licensee was requested repeatedly by PTA but in vain. Hence, a Show Cause Notice (the "Notice") dated 17<sup>th</sup> July, 2006 was issued to the licensee under section 23 of the Act and the licensee was required to comply the same 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. But the aforesaid Notice was received back undelivered, therefore, the said Notice was uploaded on PTA website but no response received in the statutory period. As the Notice was sent at the addresses available in record as well as uploaded on PTA website but the said Notice was either received back undelivered or remain no responded. Therefore Hearing Notice dated 22<sup>nd</sup> September, 2006 was issued at the addresses of the company and to all Directors of the company whereby informed the licensee to attend the hearing dated 4<sup>th</sup> October, 2006. This time notices were not received back undelivered, hence presumed that these notices have been served to the company and its Directors. Neither the licensee nor any of its Directors attended the aforementioned hearing on the fixed date.

3. Therefore, the Panel has no option but to decide the matter *ex-parte* on the basis of available record.

(a). The licensee was obliged under conditions 3.1 and 3.2 of the license and sub-regulation (2), (3), (4) and (5) of Regulation 7 of Card payphone Regulations, 2004 to pay annual license fee to the Authority within 120 days from the close of financial year which licensee failed to comply.

(b) The Authority has been making repeated requests to the licensee vide various letters including dated 15<sup>th</sup> December, 2004, 1<sup>st</sup> June, 2005, 30<sup>th</sup> June, 2005, 15<sup>th</sup> July, 2005, 23<sup>rd</sup> August, 2005, and 12<sup>th</sup> September, 2005 whereby required the licensee to make the payments and submit annual audited accounts, but the licensee never responded to these letters nor deposited PTA dues which constitute sheer disregard to the writ of the Authority. In this regard PTA also arranged meetings on 1<sup>st</sup> February, 2006 and 15<sup>th</sup> February, 2006 vide PTA letters dated 20<sup>th</sup> January, 2006 and 2<sup>nd</sup> February, 2006 respectively but the licensee did not turn up to attend the meetings. Record reveals that PTA has made its reasonable efforts to contact the licensee, but failed to contact.

(c). Foregoing factors led the panel to believe that the Licensee is not traceable who has probably closed its operations or offices without informing the Authority. The Notices issued to licensee have been received back undelivered, whereas hearing notices have been served on the Directors of the company but

neither the licensee nor any of its Directors attended the hearing establishing an irresponsible attitude of the licensee towards the writ of the Authority.

#### **4. ORDER**

4.1. Keeping in view the above mentioned facts coupled with the available record, the Panel hereby decides to proceed *ex-parte* against the licensee by passing the following enforcement order:

- (a) License of M/s. Sattar Enterprises (Pvt) Ltd is hereby suspended and PTCL is directed to terminate forthwith all telecom facilities extended to the licensee.
- (b). M/s. Sattar Enterprises (Pvt) Ltd is directed to deposit all PTA payable dues including Rs. 50,000/- ALF for 2003-04 and submit AAAs within three months, at which its license will be restored.
- (c). In case of failure of the licensee to deposit PTA dues as provided in Para 4.1 (b) above, license No. DIR(C)/L/PTA/423/2004 dated 8<sup>th</sup> June, 2004 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 land revenue.

**Director (Licensing)**

**Director (Litigation & Adjudication)**

**Director General (Finance)**

5. This determination is passed on 4<sup>th</sup> October, 2006 and comprises 03 pages.