



PAKISTAN TELECOMMUNICATION AUTHORITY
HEADQUARTERS, F-5/1 ISLAMABAD

Order of the Officers of the Authority against Sattar Enterprises (Pvt.) Ltd. due to Non Payment of Annual License Fee of Rs. 70,240 for the year ended 30th June 2005 and Non Submission of Annual Audited Accounts and Non Payment of Annual License Fee for the year ended 30th June 2007 to 2011

File No.PTA/Finance/DCNS/Defaulters/1088/2010/1

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

The Hearing Panel:

1. **Dr. Muhammad Saleem** **DG (Finance)**
2. **Ali Asghar** **DG (Law & Regulations)**
3. **Amjad Musatafa Malik** **Director(Wireless Licensing)**

The Issue:

“Non Payment of Annual License Fee of Rs. 70,240 and Non-Submission of Annual Audited Accounts and Non-Payment of Annual License Fee for the year(s) ended 30 June, 2007 to 2011”

DECISION OF THE OFFICERS OF THE AUTHORITY

1. BRIEF FACTS:

1.1 Sattar Enterprises (Pvt.) Ltd. (the “licensee”) was awarded a non-exclusive License No. DIR (C)/L/PTA/432/2002 dated 23rd July, 2002 (the “license”) by Pakistan Telecommunication Authority (the “Authority”), to establish, maintain and operate Card Payphone Services in Punjab, subject to the terms and conditions contained in the license.

1.2 The licensee under the license condition No. 3 of the license read with regulations No. 11 of Class Licensing and Registration Regulations 2007 and regulations 23 of the Pakistan Telecommunication Authority (Functions & Powers) Regulations 2006 was obliged to submit Annual Audited Financial Statements and Summary of Accounts (AAAs) within three months and to pay Annual License Fee (ALF) within 120 days of the close of Financial Year.

1.3 The licensee vide letters dated 22nd Feb., 2007, 1st March 2007, 26th October, 2009, 16th November, 2009, 10th November, 2008, 3rd October, 2011 was requested to pay outstanding dues

of Rs.33,000 for the year ended 30th June 2005 and to submit Annual Audited Accounts along with Annual License Fee for the year ended 30th June, 2007 till 2011 but in vain.

1.4 Due to failure to abide by terms and conditions, relevant regulations and direction issued for submission of AAAs and payment of Annual License Fee for the years ended 2007 till 2011 and payment of Annual License Fee of Rs. 33,000 for the year ended 30th June 2005, a Show Cause Notice (SCN) dated 2nd October, 2012 under section 23 of the Pakistan Telecommunication (Re-organization) Act, 1996 (the "Act") was issued to the licensee. As per SCN the licensee was required to remedy the aforementioned contravention by submitting AAAs along with payment of Rs. 65,408/- for the years ended 30th June 2005 till 2011 including late payment additional fee @ 2% per month or part thereof within seven days of the issuance of SCN. In addition, the licensee was also directed to explain in writing within 30 days of the issuance of SCN 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. The licensee did not remedy the contravention within the stipulated time as given in the SCN.

1.5 Therefore, before passing an Enforcement Order under sub-section 3 of section 23, the licensee was given an opportunity of hearing on 28th Jan 2014 and 16th July, 2014. It would be pertinent to mention here that SCN and hearing notice were served at the address as provided and maintained by the licensee with the Authority as per regulation 46 of the Pakistan Telecommunication Authority (Functions & Powers) Regulations, 2006 but received back undelivered. In such circumstances the hearing panel has no option except to proceed *ex-parte* against the licensee as per available record.

1.6 After examination of the record, it is concluded that the licensee did not pay any heed to observe and comply with the terms and conditions of license with respect to submission of AAAs and ALF.

2. Order

2.1. Keeping in view the above mentioned facts coupled with the available record, the hearing panel hereby decides as under that:

- (a) The license No. Dir(C)/L/PTA/432/2002 dated 23rd July, 2002 of Sattar Enterprises (Pvt.) Ltd. is hereby **suspended** for a period of one month or till payment of Annual License Fee of Rs. 70,240 for the year ended 30th June 2005 and submission of Annual Audited Accounts along with payment of Annual License Fee for the year(s) ended on 30th June, 2007 to 30th June, 2011 including late payment additional fee @ 2% per month or part thereof on the outstanding amount, whichever is earlier.
- (b). In case of non-compliance of Para 2.1 (a) above, license No. Dir(C)/L/PTA/432/2002 dated 23rd July, 2002 of the licensee shall stand **terminated** without any further notice and recovery proceedings under section 30 of the Act shall be initiated by the Authority against the company i.e., Sattar Enterprises (Pvt.) Ltd. for recovery of all payable dues as arrear of land revenue. While in case of submission of Annual Audit Accounts along with payments as per para 2.1 (a) the license shall be restored.

- (c.) All LDI, LL and Mobile licensees are directed to suspend immediately all telecommunication facilities extended to the licensee pursuant to the license till further orders.

Dr. Muhammad Saleem
Director General (Finance)

Ali Asghar
Director General (Law & Regulations)

Amjad Mustafa Malik
Director (Wireless Licensing)

This order is issued under delegated powers of the Authority and signed on 2nd day of Oct., 2014
and comprises 03 pages only.