



PAKISTAN TELECOMMUNICATION AUTHORITY
HEADQUARTERS, F-5/1, ISLAMABAD

<http://www.pta.gov.pk>

DETERMINATION OF THE OFFICERS OF THE AUTHORITY IN CASE OF
M/S SECURITY AND MANAGEMENT SYSTEM (PVT.) LTD.

Date of hearing: 12th September 2006
Venue of hearing: PTA, Headquarters, Islamabad

The officers of the Authority present:

Director (RBS) Head of the Hearing panel
Director (Litigation & Adjudication) Member

The Issues

- i. Non-compliance of the determination issued on 9th August 2004; and
- ii. Use of frequency at Gujranwala and Rahim Yar Khan without permission of Frequency Allocation Board.

Decision of the officers of the Authority

1. BRIEF INTRODUCTION

1.1. Pakistan Telecommunication Authority (the "Authority") is a body corporate established pursuant to section 3 of the Pakistan Telecommunication (Re-organization) Act, 1996 (the "Act"), which, among others, performs the functions of regulating the establishment, operation and maintenance of telecommunication systems and the provision of telecommunication services in Pakistan.

1.2. M/s Security and Management Services (Pvt.) Ltd. (the "licensee") was granted a license on 20th February 1994 bearing No. W.6-55/93 to establish, maintain and operate its services by installing VHF based (Frequency 142.675,142.700 MHz) at 34 Zaman Park Lahore.

1.3. Section 23 of the Act provides for issuance of enforcement orders and fines where a licensee fails to:

- (a) respond to the show cause notice section ; or
- (b) satisfy the Authority about the alleged contravention; or
- (c) remedy the contravention within the time allowed by the Authority, or any of its officers not below the rank of director, the Authority or any of its officers not below the rank of director, may, by an order in writing and giving reasons:

- (i) levy fine which may extend to three hundred and fifty million rupees;
or
- (ii) suspend or terminate the licence, impose additional conditions or appoint an Administrator to manage the affairs of the licensee, but only if the contravention is grave or persistent.

2. BRIEF FACTS OF THE CASE

2.1. The Authority vide its determination dated 9th August, 2004 directed the licensee not to shift its base stations at its original location or to get the approval from the Authority within two months of the said determination; and not to operate in seven cities unless necessary approval from the Authority and the Frequency Allocation Board (“FAB”) is obtained. Later on, FAB vide its letter No.NFMMS-88/2004/1023 dated 11th August, 2004 reported that the licensee is using frequency at Gujranwala and Rahim Yar Khan without lawful permission/ approval from FAB.

2.2. Due to non-compliance of the aforesaid directions a show cause notice (the “notice”) was issued on 9th December 2004. The licensee could not reply to the notice within the stipulated time. However, before taking legal action a hearing was convened on 12th September 2006. Mr. Qamar. R. Bhatti, chief executive officer, on behalf of the licensee attended the hearing. Mr. Zulquarnain Bhatti, Assistant Director (Litigation & Adjudication), as case officer, presented the case before the hearing panel and produced before the hearing panel FABs letter mentioned in para No.2.1. above of this determination.

2.4. Chief executive officer of the company denied all allegations leveled in the notice and submitted that the matter in question has already been addressed in the Authority’s determination passed on 9th August, 2004. The company has changed its address as directed by the Authority. Moreover, the licensee asserted that the it has not committed any violation because it applied for frequency but the same has not yet been approved mere on the ground that it was applied on old forms while in fact the issue in question is that the licensee is using mobile sets in Gujranwal and Rahim Yar Khan for its services.

2.5 On the question of non-reply of the notice, the licensee submitted that a notice was replied but failed to provide the copy of reply as asserted. In order to resolve the issue the licensee was directed to submit written reply along with all documents within three days. The licensee provided requisite documents on 13 September 2006. All documents provided by the licensee were forwarded to relevant departments for evaluation, examination and comments.

3. ORDER:

3.1. After hearing arguments and evaluation of the comments received from the licensee, Director RBS and FAB including its letter dated 18 September, 2006 regarding approval of base station from House No. 4/E-2 Gul Berg-III to House No. 5 Bawa Park, upper Mall Scheme, Lahore, it is decided that since change of base station has been approved hence, the issue of changing base station stood approved. However, as far as issue of illegal use of frequency in Rahim Yar Khan and Gujranwala is concerned, RBS department is requested to expedite the licensee’s request in this regard.

3.2. In addition, the hearing panel seriously taken up the non-compliance attitude of the licensee and warned that such attitude would not be tolerated in future at any level. The licensee is directed to contact PTA, RBS department within three days from the date of receiving of this determination so that all procedural requirements for allocation of frequencies applied for may be completed.

3.2. Finally, the licensee is directed to submit its progress report within fifteen days from the date of receiving of this determination to the office of Director General (Wireless Licensing).

3.3. In case of licensee's failure in compliance of the aforementioned directions, the licensee shall be deemed suspended till complete compliance

Director (RBS)

Director (Litigation & Adjudication)

The order is signed on _____ day of _____ 2006 and comprises three pages only.