



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 in the Case of
M/s FECTO GLOBAL (PVT.) LTD.**

File No. 15-26/DCNS-31/Finance/PTA
PTA/Finance/DCNS/Fecto Global/672/06

Date of Issuance of Show Cause Notice: 07th September, 2006
Date of Hearing: 20th February, 2007
Venue of Hearing: PTA H/Qs, Islamabad

The Authority Present:

S. Nasrul Karim Ghaznavi:	Member
Dr. Muhammad Yaseen:	Member

The Issue:

“Discontinuation/termination/winding-up of services without approval”

Ex-parte Decision of the Authority

1. BRIEF FACTS:

1.1 M/s Fecto Global (Pvt.) Ltd. (the “licensee”) was awarded a non-exclusive license No. DIR(C)/L/PTA/262/2000 dated 29-01-2001 by the Pakistan Telecommunication Authority (the “Authority”) to establish, maintain and operate Data Communication Network Services in Pakistan on the terms and conditions contained in the license. As a licensee of the Authority, M/s Fecto Global (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”), PTA (Functions & Powers) Regulations, 2004, (the “Functions & Powers Regulations”), the Non Voice Communication Network Service

Regulations, 2004 (the “Regulations”) and the terms and conditions of the license.

1.2 Provisions of clause 8.1 of Appendix B of the Rules, regulation 10 (8) of the Regulations and clause 2.18 of the conditions of license make it obligatory on the licensee not to discontinue /terminate/wind-up his service without prior approval of the Authority. In addition, clause 2.5 of the license condition provides that license shall be automatically cancelled if the services are not provided within one year.

1.3 The licensee i.e. M/s Fecto Global (Pvt.) Ltd., like other licensees, was required by Finance vide letter dated 1st August, 2006 to submit annual audited accounts (AAAs) for the year end June 30, 2006 and payment of annual license fee. The licensee in response, vide letter dated 10th August, 2006 informed that it has not conducted any business since its incorporation and at present has gone into voluntary liquidation and has been wind up and no more exist while annexing copy gazette notification dated 28th September, 2005. Hence, a Show Cause Notice No. 15-26/DCNS-31/Finance/PTA-544 (the “notice”) under section 23 of the Act was issued to the licensee on 7th September, 2006, which was neither responded by the licensee within the prescribed period of thirty days nor returned undelivered.

1.4 In order to proceed further in the matter, the licensee was required through Hearing Notice dated 14th February, 2007 to appear before the Authority for personal hearing on 20th February, 2007. None appeared on the date of hearing before the Authority to present the company’s stance.

1.5 The case was presented before the Authority in presence of the officers from Finance Wing. It was argued that the licensee has violated statutory provisions as mentioned in para 1.2 of this order and has also not responded to the notice. The Authority directed that operational status of the licensee should also be confirmed from PTCL prior to proceeding for pronouncement of any enforcement order. In this regard PTCL was requested vide letters dated 22nd February, 2007 and 2nd March, 2007 to provide status report of the licensee. PTCL provided status report of the licensee vide letter dated 20th March, 2007 and informed the Authority that there is no registered DCNS operator with PTCL in the name of M/s Fecto Global (Pvt.) Ltd.

2. ORDER

2.1 The Authority, after careful perusal of record and keeping in view the operational status report provided by PTCL, hold and determine as under:

- (a) the Data Communication Network Service (DCNS) License, bearing number DIR(C)/L/PTA/262/2000 issued by the Authority dated 29-01-2001, of the licensee is hereby CANCELLED with immediate effect;
- (b) as the licensee has not commenced and provided licensed services from the date of issuance of license, i.e. 29th January, 2001, hence, no financial obligations against the licensee accrued; and
- (c) PTCL is informed of the instant enforcement order for compliance.

Dr. Muhammad Yaseen
Member (Technical)
Pakistan Telecommunication Authority

S. Nasrul Karim Ghaznavi
Member (Finance)
Pakistan Telecommunication Authority

Signed on ____ March, 2007 and comprises ____ pages.