



PAKISTAN TELECOMMUNICATION AUTHORITY
HEADQUARTERS, F-5/1 ISLAMABAD
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**Consideration of the Zonal Director (Lahore)'s recommendations for
termination of license of M/s. Prime Telecom (Pvt) Ltd**

File No. 14-26/L&A/PTA/2007

Date of Zonal Director's Determination: 10th October, 2007
Date of Hearing: 8th November, 2007
Venue of Hearing: PTA HQs, Islamabad

The Authority present:

S. Nasrul Karim Ghaznavi: Member (Finance)
Dr. Muhammad Yaseen: Member (Technical)

The Issue:

“Recommendation of Zonal Director (Enforcement) Lahore for
termination of license.”

EX-PARTE DECISION OF THE AUTHORITY

BRIEF FACTS:

1. M/s. Prime Telecom (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 in Pakistan pursuant to the non-exclusive license No. DIR (C)/L/PTA/444/2002 dated 19th August 2002 (the “license”) issued by the Pakistan Telecommunication Authority (the “Authority”) to establish, maintain and operate Card Payphone, on the terms & conditions contained in the license.

2. Briefly stated that the licensee discontinued its commercial operations without approval of the Authority since December, 2006. In this regard a complaint was also received. Therefore, Zonal Director Lahore issued a show cause notice dated 30th April, 2007. The licensee failed to submit its reply to the show cause notice within statutory period of thirty days. Therefore, the Zonal Director, Lahore prior issuing any enforcement order, provided an opportunity of personal hearing to the licensee on 27th August, 2007. The representative of the

licensee namely Mr. Aijaz Hussain Director and Syed Irfan Haider Manager Operation, attended the hearing on the said date and informed the Zonal Director that the licensee had closed its Fixed Line Services and shifted to Wireless local loop and had also changed their address. The licensee was directed to provide clearance certificate from PTA Finance Department that the licensee had no outstanding dues. The licensee was also asked to satisfy the complainant by 15th September, 2007, but the licensee failed to provide the required information despite repeated requests vide letters dated 30th August, 2007 and 18th September, 2007, Hence, the Zonal Director (Enforcement), Lahore passed the following *ex parte* Enforcement order dated 10th October, 2007 whereby recommended the case to the Authority for termination of the license of M/s. Prime Telecom (Pvt) Ltd.

As the services of the licensee have been disconnected since August, 2006, and the company is not responding to this office, therefore, the license of M/s. Prime Telecom (Pvt) Limited is liable to be terminated. So, the case is referred to PTA Headquarters, with the recommendation to terminate the license and to initiate the process of recovery of outstanding dues.

3. Pursuant to the above referred recommendations of the Zonal Director, Lahore, and before passing any decision in the matter the license was once again given a chance to appear before the Authority on 8th November, 2007 vide hearing notice dated 2nd November, 2007, but the licensee failed to appear before the Authority on the said date. Whereas Zonal Director Lahore attended the hearing through video conferencing and reiterated the same facts as mentioned in Para 2 above. Finance Division of PTA also informed the Authority that the licensee has failed to submit annual audited accounts for the years 2004-05, 2005-06 and 2006-07 despite repeated requests. However, the case was again fixed for hearing on 18th December, 2007 which was communicated to the licensee vide hearing notice dated 11th December, 2007, but the licensee deliberately failed to attend the hearing on the said date despite service of the notice. As the licensee has closed its fixed line operations without approval of the Authority and also has not been responding to or complying with the directives of the Authority, which constitute sheer disregard to the writ of the Authority.

4. ORDER

4.1. Keeping in view the above mentioned facts in light of the available record and recommendations of Zonal Director (Enforcement) Lahore, the Authority hereby decides to proceed *ex-parte* against the licensee by passing the following order:

- (a) License No. DIR (C)/L/PTA/444/2002 dated 19th August 2002 of M/s. Prime Telecom (Pvt) Ltd is hereby SUSPENDED for a period of fifteen days or till submission of annual audited accounts for the years ended on

30th June, 2004-05, 2005-06 and 2006-07 and restoration of services under the license, which ever is earlier;

- (b). In case of failure of the licensee to submit annual audited accounts and restoration of licensed services as provided in Para 4.1 (a) above, license No. DIR(C)/L/PTA/444/2002 dated 19th August, 2002 of the licensee shall stand TERMINATED. While in case of submission of annual audited accounts and restoration of licensed services as per 4.1(a), the license shall be restored; and
- (c). PTCL is directed to forthwith terminate all telecommunication facilities extended to the licensee pursuant to the license, till further orders of the Authority.

(S. Nasrul Karim Ghaznavi)
Member (Finance)

Dr. Muhammad Yaseen
Member (Technical)

- 5. This determination is signed on 7th day of January, 2008 and comprises 03 pages.