



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. S.A. Linkers (PVT.) Ltd

File No. 15-26/CPPS-161/Fin/PTA

Date of Issuance of Show Cause Notice: 17th July, 2006
Venue of Hearing: PTA HQs, Islamabad
Date of Hearing: 20th February, 2006

The Authority present :

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

The Issue:

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

EX-PARTE DECISION OF THE AUTHORITY

BRIEF FACTS:

M/s. S.A. Linkers (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/495/2003 dated 18th March, 2003 (the “license”) issued by the Pakistan Telecommunication Authority (the “Authority”) to establish, maintain and operate Card Payphone services in Punjab on the terms & conditions contained in the license.

2. The licensee has defaulted in payment of the Authority’s dues for the years ended 30th June, 2003 and 2004 amounting to Rs.187,500/-as well as not provided its annual audited accounts for the years ended 30th June, 2003 to 2005.

In this regard the Authority made various requests to the licensee but in vain. Hence, the Authority issued Show Cause Notice (the "Notice") dated 17th July, 2006 under section 23 of the Act whereby required the licensee 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 licensee neither submitted its reply to the Notice nor deposited the Authority's dues as well as failed to submit annual audited accounts for the aforesaid period, hence committed sheer violation of the provisions of the license and the Act. Therefore, before passing an enforcement order a Hearing Notice dated 13th February, 2007 was issued and served on the licensee whereby informed the licensee to attend the hearing dated 20th February, 2007. The show cause and hearing notice were served on the address of the company. As these notices have not been received back undelivered, it is presumed that these notices have been served on the licensee. Again, even after information of the scheduled hearing the licensee deliberately avoided attending the today's hearing, which shows its irresponsible attitude towards the writ of the Authority.

3. Therefore, the Authority 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 7th April, 2004, 30th August, 2004, 27th October, 2004, 18th December, 2004, 3rd February, 2005, 3rd march, 2005, 4th April, 2005, 3rd may, 2005, 10th June, 2005, 17th June, 2005, 29th June, 2005, 21st July, 2005, 3rd August, 2005, and 23rd August, 2005 requiring the licensee to make the payments and submit annual audited accounts, but the licensee never responded to these letters, it neither deposited the Authority's dues nor submitted annual audited accounts which constitute sheer disregard to the writ of the Authority. The Authority also arranged meeting on 28th February, 2006 vide its letter dated 16th February, 2006 with the licensee, but the licensee failed to attend the meeting. The Authority has made its reasonable efforts to contact the licensee, but failed to contact.

(c). Foregoing clearly shows that the licensee is not complying with the directions of the Authority and has closed its offices without informing the Authority. The hearing notice has been served on the address of the licensee that is available in the record but neither the licensee nor any of its representatives

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 Authority hereby decides to proceed *ex-parte* against the licensee by passing the following enforcement order:

- (a) License of M/s. S.A. Linkers (Pvt) Ltd is hereby SUSPENDED for a period of three months or till paying of payable dues for the years ended 30th June, 2003 and 2004 amounting to Rs.187,500/ alongwith submission of Annual Audited Accounts for the years 2003 to 2005, which ever is earlier.
- (b). In case of failure of the licensee to deposit the Authority's dues as provided in Para 4.1 (a) above, license No. DIR(C)/L/PTA/495/2003 dated 18th March, 2003 of the company shall stand TERMINATED w.e.f. 22nd May, 2007 and recovery proceedings under section 30 of the Act shall be initiated by the Authority against the company for recovery of all payable dues as land revenue. While in case of payment as per 4.1(a), the license shall be restored.
- (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 Yasin)
Member (Technical)

5. This determination is passed on 22nd February, 2007 and comprises 03 pages.