



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 matter of M/s. Universal
Connections (Pvt.) Limited**

No. PTA/Finance/CPPS/Universal Connections/617/2006

Date of Issuance of Show Cause Notice: 30th October, 2007
Date of Hearing: 18th December, 2007
Venue of Hearing: PTA HQs, Islamabad

The Authority Present:

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

The Issue:

“Non payment of Authority’s dues on account of annual license
fee and non-submission of annual audited accounts”

EX-PARTE DECISION OF THE AUTHORITY

BRIEF FACTS:

M/s. Universal Connections (Pvt.) Limited (the “licensee”) is a private limited company incorporated under the Companies Ordinance, 1984 and is engaged in the business of Card Pay Phone Services in the Province of Sindh pursuant to the non-exclusive license No. DIR (C)/L/PTA/672/2002 dated 8th June 2004 (the “license”) issued by the Pakistan Telecommunication Authority (the “Authority”) to establish, maintain and operate Card Pay Phone Services on the terms & conditions contained in the license.

2. The licensee has defaulted in payment of the Authority’s dues on account of annual license fee amounting to Rs.38,830/- for the year ended 30th June 2005 and also failed in providing its annual audited accounts till 30th June, 2006. In this regard the Authority made various requests to the licensee but in vain. Hence, the Authority issued Show Cause Notice dated 30th October, 2007 under section 23 of the Act requiring the licensee to reply to the Notice within thirty (30) days of the issuance of the Notice and explain as to why any enforcement order should not be passed under section 23 of the Act, against it. The licensee neither made the payment nor submitted reply to the Notice. Therefore, before passing an enforcement order a Hearing Notice

dated 11th December, 2007 was issued and served on the licensee requiring the licensee to attend the hearing dated 18th December, 2007 before the Authority. The show cause notice and hearing notice were served on the addresses of the licensee and all of its Directors as available in record, but all of these notices have been received back undelivered, which shows that the licensee and its directors have closed/shifted their offices and have not informed any change in address to the Authority pursuant to regulation 46 of the Pakistan Telecommunication Authority (Functions & Powers) Regulations, 2006, hence, the licensee is not traceable.

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 (7) of Regulation 23 of Pakistan Telecommunication Authority (Functions & Powers) Regulations, 2006 to pay annual license fee to the Authority within 120 days from the close of financial year and under condition 4.51 of the license the licensee was obliged to submit annual audited accounts to the Authority within three months of closing of financial year, which the licensee failed to comply.

(b) The Authority has been making repeated requests to the licensee vide various letters including dated 3rd April, 2006, 1st August, 2006, 7th May, 2007, and final notice dated 17th May, 2007 requiring the licensee to make the payments and submit annual audited accounts, but the licensee never responded to these letters nor deposited the Authority's dues 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, the Authority hereby decides to proceed *ex-parte* against the licensee by passing the following enforcement order:

- (a). License No. DIR (C)/L/PTA/672/2002 dated 8th June 2004 of M/s. Universal Connections (Pvt) limited is hereby cancelled and recovery proceedings under section 30 of the Act may be initiated against the company for recovery of dues as arrears of land revenue.
- (b). 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 _____ day of December, 2007 and comprises 02 pages.