



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. Ur Fone
(Pvt.) Limited**

No. PTA/Finance/CPPS/Ur Fone/34/2006

Date of Issuance of Show Cause Notice: 29th June, 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. Ur Fone (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 Punjab pursuant to the non-exclusive license No. DIR (C)/L/PTA/590/2003 dated 7th October 2003 (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.85,000/- for the year ended on 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 29th June, 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.

3. The licensee responded to the show cause notice vide its letter dated 11th July, 2007 and submitted annual audited accounts for the year 2006. In the reply it stated that it has been facing problem due to its franchiser in different stations and trying its best to come over the problems. The licensee further stated that in these peculiar circumstances it is difficult for it to make the payment, however, it requested the Authority to allow it to make payments in four equal monthly installments, i.e., the first installment shall be paid in cash/draft and balance amount will be paid in the shape of three post dated cheques. The Authority took a sympathetic view and allowed the licensee to deposit the payable dues, i.e., Rs.85913/- in installments with direction to deposit demand draft of Rs. 22,913/- before 10th August, 2007 and provide three post dated cheques of Rs 21,000/- each dated 6th September, 2007, 6th October,2007, and 6th November 2007, respectively, which was communicated to the licensee vide letter dated 31st July, 2007, but the licensee failed to make any payment. Therefore, before passing any enforcement order under section 23 of the Act, the licensee was given opportunity of personal hearing by the Authority, for which hearing notice dated 11th December, 2007 was issued requiring the licensee to appear before the Authority on 18th December, 2007, but no one appeared on behalf of the licensee before the Authority on the said date. The licensee neither made the payment of dues in installments nor attended the hearing despite service of the notices, 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/590/2003 dated 7th October 2003 of M/s. Ur Fone (Pvt.) Ltd 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.