



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. ALP
International (Pvt.) Ltd**

File No. 15-26/CPPS-100/Fin/PTA

Date of Issuance of Show Cause Notice: 8th September, 2006
Date of Hearing: 21st March, 2007
Venue of Hearing: PTA HQs, Islamabad

The Authority present:

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

The Issue:

“Non payment of PTA dues on account of annual license fee”

EX-PARTE DECISION OF THE AUTHORITY

BRIEF FACTS:

M/s. ALP International (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/404/2002 dated 9th May, 2002 (the “license”) issued by the Pakistan Telecommunication Authority (the “Authority”) to establish, maintain and operate Card Payphone services in Metropolitan City Karachi on the terms & conditions contained in the license.

2. The licensee defaulted in payment of the Authority’s dues on account of annual license fee for the years ended 30th June, 2003 to 2005 amounting to Rs.282,832/-and also failed in providing its annual audited accounts for the same year. In this regard the Authority made various requests to the licensee but in vain. Hence, the Authority issued Show Cause Notice dated 8th September, 2006 (the “Notice”) under section 23 of the Act requiring the licensee to remedy the contravention 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 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 12th March, 2007 was issued and served on the licensee requiring the licensee to attend the hearing dated 21st March, 2007. The hearing notice was served on the addresses of the company and all of its Directors. One Director of the licensee namely Mr. Amir Moeen informed vide its letter dated 16th March, 2007 that he has already resigned from the company since 2002 and all of his shares have been transferred to Mr. Abdul Khaliq, CEO of the licensee. However, even after information of the scheduled hearing the licensee deliberately avoided attending the 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 the licensee failed to comply.

(b) The Authority has been making repeated requests to the licensee vide various letters including dated 5th July, 2003, 23rd September, 2003, 1st December, 2003, 6th February, 2004, 1st April, 2004, 30th August, 2004, 15th December, 2004, 23rd May, 2005, 30th June, 2005, 3rd August, 2005, 12th September, 2005, 31st January, 2006, 2nd February, 2006, and 1st March, 2006 requiring the licensee to make the payments and submit annual audited accounts, but the licensee neither deposited the Authority's dues nor submitted annual audited accounts which constitute sheer disregard to the writ of the Authority. In this regard meetings were convened with the licensee on 26th January, 2006 and 16th February, 2006 which were duly communicated to the licensee vide letters dated 16th January, 2006 and 31st January, 2006, respectively, but the licensee did not turn up to. However, previously the licensee vide its letter dated 12th July, 2003 had requested for payment in installment which was granted vide letter dated 15th July, 2003. The licensee made first installment of Rs.25,000/- and stopped making further payments of balance payable dues. The licensee, in response to the Authority's letters for payment, again requested vide its letter dated 2nd February, 2006 for payment in installment which was also allowed vide letter dated 2nd February, 2006 but the licensee failed to avail this opportunity and did not clear its liabilities.

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 of M/s. ALP International (Pvt) Ltd is hereby SUSPENDED for a period of one month or till paying of payable dues for the years ended 30th June, 2003 to 2005 amounting to Rs.232,832, which ever is earlier;

- (b). In case of failure of the licensee to deposit PTA dues as provided in Para 4.1 (a) above, license No. DIR(C)/L/PTA/404/2002 dated 9th may, 2002 of the licensee shall stand TERMINATED and recovery proceedings under section 30 of the Act shall be initiated by the Authority against the company for recovery of dues as land revenue. While in case of payment 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)

Signed on 29th March, 2007 and comprises 03 pages.