



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. Telemedia Pakistan (PVT.) Ltd

File No. PTA/Finance/ATS/Telemedia3/2006

Date of Issuance of Show Cause	18 th January, 2010
Notice: Date of Hearing:	15 th April, 2010
Venue of Hearing:	PTA HQs, Islamabad

The Authority present

S. Nasrul Karim Ghaznavi	Member (Finance)
Dr. Khawar Siddique Khokhar:	Member (Technical)

The Issue:

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

EX-PARTE DECISION OF THE AUTHORITY

BRIEF FACTS:

Telemedia Pakistan (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 vide non-exclusive licenses No. DIR (C)/L/PTA/149/98 dated 12th January, 1999 issued by the Pakistan Telecommunication Authority (the "Authority") to establish, maintain and operate Audiotex Services in Pakistan on the terms & conditions contained in the license.

2. As a licensee of the Authority, Telemedia Pakistan (Pvt.) Limited was required to comply with the provisions of the prevailing regulatory laws comprising the Pakistan Telecommunication Authority (Re-organization) Act 1996 (the "Act"), the Pakistan Telecommunication Rules, 2000 (the "Rules"), the Pakistan Telecommunication Authority (Function & Powers) Regulations, 2006, Class Licensing and Registration Regulations, 2007 and the terms & conditions of the license. Whereas in this case the licensee has violated the condition 2, 2.13 of the license, sub-regulation (6) and (7) of regulation 23 of the Pakistan

Telecommunication Authority (Functions & Powers) Regulations, 2006, and sub-regulation (1) of regulation 11 of Class licensing and Registration Regulations, 2007 by not submitting annual audited accounts within three months and by not paying annual license fee to the Authority within 120 days from the close of financial year.

3. Pursuant to the abovementioned provisions it neither submitted annual audited accounts alongwith annual license fee for the years ended on 30th June, 2008 and 2009 nor make the payment of Authority's dues on account of annual license fee of Rs. 239,989/- for the years ended on 30th June, 2006 and 2007 within the due date. In this regard the Authority made various requests to the licensee but in vain. Hence, the Authority issued Show Cause Notice dated 18th January, 2010 (the "Notice") under section 23 of the Act whereby required the licensee to remedy the contravention by making the aforesaid payments and submission of annual audited accounts and annual license fee for the aforementioned years within seven days and also to 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.

4. The licensee submitted its reply to the aforesaid notice vide its letter dated 4th February, 2010. hi response it informed that it has already asked its Auditors for expediting its accounts and the same will be provided as soon as received. Regarding payment of annual license fee it has not replied anything rather it has made a point that PTCL has not made payment of the licensee for the last one year for which Authority's help was sought but to no avail and requested PTA for recovery of dues from PTCL.

5. Therefore, before passing an enforcement order a Hearing Notice dated 22nd March, 2010 was issued and served on the licensee whereby informed the licensee to attend the hearing dated 1st April, 2010. The licensee vide its letter dated 24th March, 2010 informed that its Chief Executive Mr. Sajid Mumtaz Khan is out of station, hence, requested to fix the hearing date on or after 15th April, 2010. The request of the licensee was allowed and the matter was re-fixed for 15th April, 2010 and communicated to the licensee vide letter dated 30th March, 2010.

6. The licensee appeared before the Authority through one of its employee, who again requested for adjournment which was not allowed by the Authority on the ground that the hearing date was fixed in accordance with the request of the licensee. The representative of the licensee was asked to defend the matter. However, the Authority was not satisfied with the explanation tendered by the representative and the written stance taken by the licensee in its reply to the show cause notice.

7. **ORDER**

7.1. Keeping in view the above mentioned facts coupled with the available record, the Authority hereby dispose of the aforesaid show cause notice in the following terms:

(a). Telemedia Pakistan (Pvt) Limited is hereby directed to remedy the contravention by making the payment of annual license fee Rs.239,989/- for the years ended on 30th June, 2006 and 2007 and also to submit annual audited accounts alongwith payment of annual license fee for

the years ended on 30th June, 2008 and 2009 within a period of 30th days from the issuance of this order.

(b). In case of failure to abide by this Order, its license No. DIR (Q/L/PTA/149/98 dated 12th January, 1999 **shall stand suspended** w.e.f. 6th June, 2010, without further notice, till further orders of the Authority.

(S. Nasrul Karim A. Ghaznavi)
Member (Finance)

(Dr. Khawar Siddique Knokhar)
Member (Technical)

8. This determination signed on 12-05-2010 and comprises 03 pages.