



Enforcement Order under Sub-section 3 of Section 23 of the Pakistan Telecommunication (Re-organization) Act, 1996 against Track Pakistan (Pvt.) Limited due to Non Submission of Annual Audited Accounts and Non Payment of Annual License Fee for the year ended 30th June 2010

PTA/Finance/ CVAS/ Defaulters/1180/2011

Date of Issuance of Show Cause Notice: 29th September, 2011
Venue of Hearing: PTA HQs, Islamabad
Date of Hearing: 13th Dec., 2011

Panel of Hearing

Tariq Sultan: Director General (Finance)
Aslam Shahab Hasan: Director General (Licensing)
Ali Asghar: Director General (Law & Regulations)

DECISION OF THE OFFICERS OF THE AUTHORITY

1. Brief facts of the case:

1.1 Track Pakistan (Pvt.) Limited (the "licensee"), was awarded non-exclusive License No. DIR(L)/CVAS-96/PTA/2006 dated 19th May, 2006 (the "license") by Pakistan Telecommunication Authority (the "Authority") to provide Voice Class Value Added Services in Pakistan subject to the terms and conditions contained in the license.

1.2. The licensee vide clause 3 of the license read with regulation 11 of the Class Licensing and Registration Regulations, 2007 and regulation 23 of the Pakistan Telecommunication Authority (Functions & Powers) Regulations, 2006 make it obligatory on the licensee to submit Annual Audited financial statements and summary of accounts within three months and to pay Annual License Fee within 120 days of the end of the financial year to which such fee relates.

1.3. The licensee vide letters dated 22-09-2010 and 18-02-2011 was required to submit Annual Audited Accounts (AAA) and Annual License Fee (ALF) for the year ended 30th June, 2010 but despite repeated demand and reminders issued to the licensee, it has failed to comply with the same.

1.4. Resultantly, due to contravention of the said license condition read with applicable regulations, the Authority under section 23 of the Pakistan Telecommunication Authority (Re-organization) Act, 1996 issued a Show Cause Notice (SCN) on 29th September, 2011 to the licensee, wherein the licensee was required to remedy the contravention by submitting AAAs and ALF with seven working days from the date of issuance of SCN and explain in writing as to why any enforcement order should not be passed under section 23 of the Act.

1.5. Before passing an enforcement order under sub-section 3 of Section 23 of the Act, the matter was fixed for hearing on 13th December, 2011. It would be pertinent to mention here that SCN and hearing notice were issued on the address as provided and maintained by the licensee with the Authority. The licensee did not attend the hearing on the said date. However, the licensee vide letter dated 3rd Jan 2012 has provided un-audited accounts for the year ended 30th June, 2010 and paid an amount of Rs. 14,672 vide cheque # 0631670 dated 3rd Jan 2012.

1.6. The licensee vide PTA's letter dated 12th Jan, 2012 was required to provide Annual Audited Accounts and was informed that the dues paid by the licensee should be considered provisional until submission of annual audited accounts. Till to date AAAs have not been submitted by the licensee.

2. Order:

2.1 Keeping in view of the above mentioned facts coupled with available record, the officers of the Authority hereby decide as under:

- a) The license is hereby suspended for a period of one month or till the submission of Annual Audited Accounts along with payment of Annual License Fee for the financial year ended on 30th June 2010 including late payment additional fee @ 2% per month on the outstanding amount for each month of part thereof for the year ended on 30th June 2010.
- b) In case of non compliance of para 2.1 (a) above, license No. DIR(L)/CVAS-96/PTA/2006 dated 19th May 2006 of the licensee i.e Track Pakistan (Pvt.) Ltd. shall stand terminated upon the expiration of one month after the date of issuance of this order with out any further notice.
- c) All LDI, LL and Mobile Licensees are directed to suspend immediately all telecommunication facilities extended to the licensee pursuant to the license till further orders of the Authority.

Tariq Sultan
Director General (Finance)

Aslam Shahab
Director General (Licensing)

Ali Asghar
Director General (Law & Regulations)

This enforcement order signed on _____ and comprises of 02 pages only.

Under section 7(2) of the Pakistan Telecommunication (Re-organization) Act, 1996 read with rule 27 of the Pakistan Telecommunication Rules 2000 and regulation 40 of the Pakistan Telecommunication (Functions & Powers) Regulations, 2006, the licensee may file an appeal before the Authority within thirty days from the date of receipt of this order.