



Enforcement Order under Section 23 of the Pakistan Telecommunication (Re-organization) Act, 1996 against Hajvery Communication (Private) Limited

No.PTA/Finance/CPPS/Hajvery Communication/486/2006

Date of Issuance of Show-Cause Notice: 1st April, 2010
Date of Hearing: 20th May, 2010
Venue of Hearing: PTA HQs, Islamabad

The Authority Present:

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

The Issue: "Failure to submit Annual Audit

Accounts and payment of Annual License Fee"

Decision of the Authority 1.

Brief Facts

1.1. Hajvery Communication (Pvt.) Limited (the "licensee") was awarded non exclusive license No. DIR (C)/L/PTA/715/2004 dated 14th October, 2004 (the "license") by Pakistan Telecommunication Authority (the "Authority"), to establish, maintain and operate Card Payphone Services in Lahore Metropolitan City with brand name "Prime PCO", subject to the terms and conditions contained in the license.

1.2. License has failed to make the payment of Rs.164,052/- against Annual License Fee for the years ended on 30th June 2005, 2006 and 2007 including late payment charges and non-submission of annual audited accounts along with annual license fee for the years ended on 30th June, 2008 and 2009 till date despite repeated demand of the Authority, but in vain. Hence, the Authority issued Show Cause Notice (the "Notice") dated 1st April, 2010 under section 23 of the Act whereby required the licensee to remedy the contravention by making the aforesaid payments for the years 2005 to 2007 and by submitting annual audited accounts alongwith payment of annual license fee including late payment charges for the years ended on 30th June, 2008 and 2009 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.

1.3. But the licensee neither submitted its reply to the Notice within the statutory period of thirty days nor deposited the Authority's dues as well as failed to submit annual audited

accounts alongwith annual license fee for the aforesaid period, hence, committed sheer violation of the provisions of the license and the Act.

1.4. Therefore, before passing an enforcement order a Hearing Notice dated 6th May, 2010 was issued and served on the licensee whereby informed the licensee to attend the hearing on 20th May, 2010. Mr. Afzal and Mr. Mazhar Hussain, representatives of the licensee, attended the hearing. It stated that it has already closed its operations since, 2008 and it does not intend to retain the license. Regarding payment of annual license fee, it stated the company has already lost its business and investment and requested to waive of the late payment charge. The Authority informed that it has no powers to waive of late payment charges under the Act, hence, the licensee has to clear its outstanding dues.

1.5. However, the licensee was directed to make the payment of Rs. 166,7887- alongwith late payment charges and submit an undertaking regarding closing of its operations since, 2008 and also submit application to DG (Licensing) for surrendering of its license within three weeks. The licensee through its letter submitted undertaking on stamp that it had closed its operations since June, 2008 and also provided its annual audited accounts for the year ended on 30th June, 2008. The licensee has also deposited Rs.170,000/- vide pay order dated 3rd June, 2010 and also submitted written request for cancellation of its license.

2. Order of the Authority

2.1. Keeping in view the above mentioned facts and since the licensee has remedied the contravention, therefore, the Authority hereby dispose of the aforesaid show cause notice as withdrawn and cancel its CPPS license No. DIR (Q/L/PTA/715/2004 dated 14th October, 2004, as requested.

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

(Dr. Khawar Siddique Khokhar)
Member (Technical)

This order comprises of 02 pages and is signed on 5/10/2010