



PTA/Finance/CVAS-Voice/Defaulter CVAS CPPS and EIS

**ENFORCEMENT ORDER UNDER SUB-SECTION 3 OF SECTION 23 OF THE
PAKISTAN TELECOMMUNICATION (RE-ORGANIZATION) ACT, 1996 AGAINST
MACROMEDIA COMMUNICATIONS (PVT.) LIMITED FOR NON SUBMISSION OF
ANNUAL AUDITED ACCOUNTS AND NON PAYMENT OF ANNUAL LICENSE FEE
FOR THE YEARS ENDED 30 JUNE 2006 TO 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 Hassan: Director General (Licensing)
Ali Asghar: Director General (Law & Regulations)

DECISION OF THE OFFICERS OF THE AUTHORITY

1. Brief facts of the case:

1.1 Macromedia Communications (Pvt.) Limited (the "licensee"), was awarded non-exclusive License No. DIR(C)/L/PTA/553/2003 dated 7th January, 2004 (the "license") by Pakistan Telecommunication Authority (the "Authority") to provide Audiotex Services in Pakistan subject to the terms and conditions contained in the license.

1.2. The licensee vide clause 3.2, 3.3 and 4.5.1 of the license read with regulation 23 of the Pakistan Telecommunication Authority (Functions & Powers) Regulations, 2006 make it obligatory on the licensee to submit Annual Audited 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 20-08-2007, 10-11-2008, 26-10-2009 and 22-09-2010 was required to submit Annual Audited Accounts (AAA) and Annual License Fee (ALF) for

the years ended 30th June, 2006 to 2010 but despite repeated demands and reminders issued to the licensee, it has failed to comply with the same.

1.4. Resultantly, due to contravention of the said license conditions 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 within 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. However, hearing notice and SCN issued to the licensee were received back undelivered. Since, no new address as per regulation 46 of the Pakistan Telecommunication Authority (Functions & Powers) Regulations, 2006 has been communicated hence the hearing panel has no option except to proceed *ex-parte* against the licensee as per available record.

1.6. The record perused and examined, it is concluded that the licensee did not pay any heed to observe and comply with the terms and conditions of license, letters issued to the licensee with respect to submission of AAAs and ALF as well as SCN issued to the licensee. The conduct of the licensee in terms of accomplishment of obligations contained in the license is non-serious and non-compliant which falls within the ambit of sub-section (3) of section 23 of the Act.

2. Order:

2.1 Keeping in view the above mentioned facts coupled with the available record, the officer(s) 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 the payment of Annual License Fee for the financial years ended on 30th June, 2006 to 2010 including late payment additional fee @ 2% per month on the outstanding amount for each month or part thereof for the years ended on 30th June, 2006 to 2010, whichever is earlier.

- b. In case of non-compliance of Para 2.1 (a) above, license No. DIR(C)/L/PTA/553/2003 dated 7th January, 2004 of the licensee i.e. Macromedia Communications (Pvt.) Limited shall stand terminated upon expiration of one month after the date of issuance of this order without 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 Hassan
Director General (Licensing)

Ali Asghar
Director General (Law & Regulations)

This enforcement order signed on _____ and comprises of 03 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.