ORDER SHEET IN THE HIGH COURT OF SINDH AT KARACHI M.A No.15 of 2014

DATE ORDER WITH SIGNATURE(S) OF JUDGE(S)

- 1. For orders on CMA No.3077/2014 (Urgent)
- 2. For orders on CMA No.3078/2014 (Exemption)
- 3. For Katcha Peshi.
- 4. For orders on CMA No.3079/2014 (stay)

07.5.2014

Mr. Murtaza Wahab, advocate for the Appellant.

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- 1. Urgency application is granted.
- 2. Exemption granted subject to all just exceptions.

Appellant through this appeal has challenged revocation of license issued by PEMRA to Establish & Operate MMDS TV Channel Distribution Station by invoking Section 30(d) of the PEMRA Ordinance, 2002. Such revocation of license was communicated to the Appellant by PEMRA vide letter 02.5.2014. The Provision of Section 30(d) stipulates that there shall be no change in the Chief Executive and Directors of the company without approval of the Respondents. In this regard the appellant company on 23.7.2012 has specifically informed the Chairman PEMRA regarding change of the executive and director. The grievance of the appellant is that letter has not been replied by the Respondent. However, after change the new management vide letter date 11.10.2012 requested for the revalidation/renewal of Multi-Channel Multi Point Distribution Service License of M/s Southern Networks Limited from the Respondent No.1 The validation was accorded by letter dated 15.10.2012 and the present management has deposited a sum of Rs.45 million towards cost and expenses for the renewal of the license. The Appellant received show cause notice from PEMRA on 19.3.2014 regarding illegal change in the management, despite the fact that PEMRA was already informed regarding change and the new management has been dealing with the PEMRS since 23.7.2012. Appellant has satisfactorily replied the show cause notice and after meeting in

response to the show cause through letter dated 7.4.2014 appellant has submitted the required documents demanded by the Respondent during meeting held on 3.4.2014 pursuant to the show cause notice. The Respondents thereafter by letter dated 23.4.2014 demanded outstanding dues from the appellant which comes to Rs.44,00,000/-. The appellant has immediately cleared the said dues. In this background apparently the Respondents for all practical purpose had accorded permission for change of management. However, no formal permission letter was issued in reply to appellant letter dated 23.7.2012 by the Respondent. Learned counsel for the appellant has contended in view of the above facts the revocation of the license was uncalled for and against the law. Since this is the maximum penalty and if at all case was made out against the appellant, for action, the Respondent keeping in view the invested billions of rupees should have resorted to imposing a fine. Even otherwise the most import point raised by the appellant is that revocation notice has referred to a meeting No.94 dated 24.4.2014 wherein three licenses in one go were revoked was illegally convened in violation of Rule 3 of Sub-rule 4 of the PEMRA Rules. The meeting cannot be convened except with the permission of the Chairman and on 24.4.2014 the government has already suspended the Chairman of the PEMRA who has filed constitution petition against illegal removal of the chairman before Hon'ble Islamabad High Court. Therefore, in absence of the Chairman the meeting if at all taken place it was illegal. The points raised above require consideration, hence this appeal is admitted and impugned order of revocation of license as prayed is suspended till further orders. Let notice be issued to the Respondents for 26.5.2014.

JUDGE