

MTN confirms it will fight Nigerian fine

Africa's biggest mobile services provider MTN Group (MTN) has confirmed that it is planning to contest a R59bn fine imposed by the Nigerian Communications Commission (NCC).



In a SENS announcement on Friday, MTN said that it had instructed its lawyers to proceed with court action while it would also continue to engage with the Nigerian authorities to try to ensure an amicable solution.

"MTN Nigeria acting on legal advice has resolved that the manner of the imposition of the fine and the quantum thereof is not in accordance with the NCC's powers under the Nigerian Communications Act and therefore there are valid grounds upon which to challenge the fine.

Accordingly MTN Group has followed due process and has instructed its lawyers to proceed with an action in the Federal High Court in Lagos seeking the appropriate reliefs," the group stated.

It added: "MTN Group is advised that in the current circumstances in line with the lis pendens rule (pending legal action) the parties are enjoined to restrain from taking further action until the matter is finally determined. This is consistent with previous judicial decisions in Nigeria.

"Notwithstanding this action the Group will continue to engage with the Nigerian Authorities to try and ensure an amicable resolution in the best interests of the Group, its stakeholders and the Nigerian Authorities."

MTN advised noteholders to continue to exercise caution when dealing in the Company's securities until a further announcement was made.

Source: BDpro