



PAKISTAN TELECOMMUNICATION AUTHORITY
HEADQUARTERS, F-5/1, ISLAMABAD

Enforcement Order under section 23 of the Pakistan Telecommunication (Re-organization) Act,
1996 against Zero Time Networks (Pvt.) Limited

No. PTA/Finance/CVAS-Data/Defaulter of CVAS licenses/173/2021/335

Date of Show Cause Notice: 2nd June, 2022
Venue of Hearing: PTA HQs, Islamabad
Date of Hearing: 25th August, 2022

Panel of Hearing:

Muhammad Khurram Siddiqui: Director General (Law & Regulations)
Brig. Amir Shehzad: Director General (Licensing)
Ubaid Tayyab: Director (Finance)
Muhammad Shafique: Director (Enforcement)

Issue:

“Non- Submission of Annual Audited Accounts (AAAs) and Annual License Fee (ALF) For the
Year Ended 30th June, 2020 and 2021”

DECISION OF THE OFFICERS OF THE AUTHORITY

1. Precisely stated the facts of the case are that Zero Time Network (Pvt.) Limited (the “licensee”) was awarded a non-exclusive license No. DIR(L)/CVAS-801/PTA/2016 dated 13th October, 2016 (the “license”) by Pakistan Telecommunication Authority (the “Authority”), to establish, maintain and operate Data Class Value Added Services in Punjab, subject to the terms and conditions contained in the license.
2. The licensee is required to comply with the prevailing regulatory laws comprising the Pakistan Telecommunication (Re-organization) Act, 1996 (the “Act”), the Pakistan Telecommunication Rules, 2000, (the “Rules”) the Pakistan Telecommunication Authority (Functions & Powers) Regulations, 2006 (the “Regulations”), Class Licensing and Registration Regulations, 2007 including amendments (the “CL Regulations”), and the terms and conditions of the license. As per

license condition No.3 read with sub-regulation (1) of regulation 11 of the Class Licensing and Registration Regulations, 2007 and sub-regulations (6) and (7) of regulation 23 of the Pakistan Telecommunication Authority (Functions & Powers) Regulations, 2006 it is obligatory on the licensee to submit Annual License fee (ALF) and Annual Audited Accounts (AAA) within 120 days of the close financial year.

3. That PTA vide letters dated 15th October, 2020, 25 November, 2020, 28 December, 2020, 26th October, 2021, 19th November, 2021 and 21st December, 2021 and emails dated 15th April, 2022 and 9th March, 2022 directed the licensee to submit Annual Audited Accounts for the year ended 30th June, 2020 and 2021 along with payment of Annual License Fee for the aforesaid year including late payment additional fee, however, the licensee did not pay any heed to comply with the same.

4. Due to failure on the part of the licensee upon submission of Annual Audited Accounts (AAAs) and non-payment of Annual License Fee (ALF) for the aforesaid year including late payment additional fee till date, a Show Cause Notice (SCN) dated 2nd June, 2022 under section 23 of the Act was issued to the licensee wherein it was required to remedy the aforementioned contravention by submitting Annual Audited Accounts and making payment of Annual License Fee for the year ended 30th June, 2020 and 2021 including Late Payment Additional Fee for the year ended 30th June, 2020 and 2021 **within seven (07) days** of the issuance of the SCN and also to explain in writing, **within thirty (30) days** of the issuance of the SCN as to why an enforcement order should not be passed under section 23 of the Act.

5. Before passing an enforcement order under sub-section (3) of Section 23 of the Act, the matter was fixed for hearing on 25th August, 2022. 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 PTA. Since the licensee neither replied to the SCN nor attended the hearing and 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.

6. After the examination of available record, it is concluded that the licensee did not comply with the aforesaid applicable regulatory provisions.

Dated: 14th October, 2022

7. **ORDER:**

7.1 Keeping in view the above-mentioned facts coupled with the 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 licensee submits AAAs for the year ended 30th June, 2020 and 2021 along with payment of Annual License Fee for the aforesaid year including late payment additional fee till date to the Authority, whichever is earlier;
- b) In case of non-compliance of Para 7.1 (a) above, license No. DIR(L)/CVAS-801/PTA/2016 dated 13 October, 2016 of the licensee shall stand terminated upon expiration of one month after date of issuance of this order without any further notice;
- c) All LDI, LL, TIP and Mobile licensees are directed to suspend immediately all telecommunication facilities extended to the licensee pursuant to the license till further orders.

Muhammad Khurram Siddiqui
Director General (Law & Regulations)

Brig. Amir Shehzad
Director General (Licensing)

Ubaid Tayyab
Director (Finance)

Muhammad Shafique
Director (Enforcement)

This enforcement order is signed on 14th October, 2022 and comprises of (03) pages only.