



Enforcement Order under section 23 of the Pakistan Telecommunication (Re-organization) Act, 1996 against Sardar Media (Private) Limited

No. PTA/Wireline Licensing/Sardar Media/ LL/GTR/1214/2018/150

Date of Show Cause Notice: 28th June, 2024
Venue of Hearing: PTA HQs, Islamabad
Date of Hearing: 29th October, 2024

The Authority

Maj. Gen. Hafeez UR Rehman (R): Chairman
Dr. Khawar Siddique Khokhar: Member (Compliance and Enforcement)
Muhammad Naveed: Member (Finance)

The Issue:

“Non-obtaining Commencement Certificate”

Decision of the Authority

1. Precisely stated facts of the case are that Sardar Media (Private) Limited (the “**licensee**”) was awarded a non-exclusive No. LL-81-2019/GTR dated 21st January 2019 (the “**license**”) by the Pakistan Telecommunication Authority (the “**Authority**”) to establish, maintain and operate Telecommunication service in GTR region subject to the terms & conditions contained in the license.
2. The licensee is required to comply with the provisions of 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 (**Function & Powers**) Regulations, 2006 (the “**Regulations**”) and the terms and conditions of the license.
3. In accordance with clause (a) of sub-section (4) of section 21 of the Act, clause 8.1 of the Appendix- B of the Rules and condition 3.1 of the license, the licensee is under an obligation to observe the provisions of the Act, the Rules, the Regulations, orders, determinations, directions and decisions of the Authority.
4. More so, as per license condition 3.2.1 of the license, the licensee is required to establish at least one Network Connection Point in each licensed region and to commence the provision of mandatory services in each licensed region within 18 months from the effective date. In addition, in light of license condition No. 6.11.1, the licensee shall not provide any licensed services to customers, or accept payment from customers in respect of licensed services to be provided by the licensee until the licensee has obtained from the Authority a commencement certificate evidencing that the Authority is satisfied that the licensee has established its licensed system and is able to provide the licensed services including mandatory services, in accordance with the description in the licensee’s application for the license previously submitted to the Authority and at a level of quality and reliability that is consistent with international industry best practices.

5. The licensee vide letter No. PTA/ Lic-WrL/ LL/ 1214/ 2018 dated 8th January, 2020 was required to obtain Commencement Certificate for provision of the licensed services. In response thereof, the licensee vide letter dated 13th August, 2020 requested for extension of six (06) months and the same was granted by the Authority through letter dated 18th September, 2020. On 21st December, 2020 the licensee again made another request for extension and considering the request of the license the same has been granted through letter 3rd February, 2021.

6. After expiry of the deadline i.e., 20th July 2021 the licensee through email dated 4th February, 2022 was required to apply for commencement certificate by 11th February, 2022, however, the same has not been complied with. In order to resolve the issue, a meeting was also held with the licensee on 21st December, 2022. The licensee again requested for further extension of one year on 22nd December, 2022, however, the request was turned down through letter dated 28th February, 2023.

7. As a result of failure to obtain a commencement certificate, a Show Cause Notice (SCN) dated 28th June, 2024 under section 23 of the Act was issued to the licensee. As per SCN the licensee was required to remedy the contravention by obtaining commencement certificate within thirty (30) days and also to explain in writing within thirty (30) days as to why the enforcement order should not be passed under section 23 of the Act. However, the licensee neither replied to the SCN and nor applied for commencement certificate.

8. In order to proceed further, the matter was fixed for hearing before the Authority on 29th October, 2024. Mr. Rana Tahir Mahmood (Director), Mr. Sardar Tamoor Latif (Senior Manager), Mr. Ghulam Murtaza (Manager) attended the hearing on the said date. During the hearing, representatives appearing on the behalf of licensee stated that the equipment has been purchased and committed to obtain commencement certificate for the provision of the licensed services within a year.

9. In addition to above, the licensee also submitted a written request for extension during the hearing. For ready reference, the crux of the request is reproduced below:

"1. the country's economic conditions improve, which is a favorable indicator for investors, we are optimistic that we will be able to start operations within six months. We are almost finished with the 5-star hotel project with Accor international, the most opulent brand the Pakistani community has seen in Pakistan. After the formal opening on December 24, all of our energy will be focused on media project.

2. It is worth mentioning that Sardar Media is one of the many companies that our group holds. This was formed to enter into media industry ranging from Satellite TV services, to CVAS to FLL services to Radio Stations. We have planned for all such ventures where FLL is to be the first one to takeoff. So, understand when we say that we are serious and that we do plan to have this service provided in very near future. Once again, please cater to our request by granting us an additional extension of twelve months."

10. After careful examination of the record and hearing the submissions of the licensee, it was clarified that the twice extension for obtaining commencement certificate has already been granted. Therefore, for further extension the licensee was required to provide final timelines for obtaining commencement. During the hearing, the representative of the licensee agreed and consented that the licensee will obtain commencement certificate on or before 30th April, 2025 and no further

Dated: 12th December, 2024

extension would be sought. Thus on the basis of assurance made during hearing, the Authority, as consented by the representative of licensee, is hereby pleased to grant as final extension for obtaining commencement certificate on or before 30th April, 2025.

11. In case of non-compliance of para 10 above, the license No. LL-81-2019/GTR dated 21st January, 2019 shall stand terminated on 1st May, 2025 without any further notice.

Maj. Gen. Nafeez Ur Rehman (R)
Chairman

Member (Finance)

Member (Compliance & Enforcement)

Signed on 12th day of December, 2024 and comprised (03) pages only.