



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

**Enforcement Order under section 23 of the Pakistan Telecommunication
(Re-organization) Act, 1996 against Carmine**

No. PTA/Finance/CVAS-Data/Defaulter of CVAS licenses/1731/2021/923

Date of Show Cause Notice: 2nd June, 2022
Venue of Hearing: PTA HQs, Islamabad
Date of Hearings: 26th August, 2022
23rd January, 2023
16th January, 2024

Panel of Hearing:

Erum Latif: Director General (Law & Regulations)
Abdul Batin Khan: Director General (Wireline 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 & 2021”

DECISION OF THE OFFICERS OF THE AUTHORITY

1. Precisely stated the facts of the case are Carmine (the “licensee”) was awarded a non-exclusive license No. DIR (L) / CVAS-853/ PTA/2017 dated 15th June, 2017 (the “license”) by Pakistan Telecommunication Authority (the “Authority”), to establish, maintain and operate Data Class Value Added Services in Pakistan, 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 (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 CL Regulations, and sub-regulations (6) and (7) of regulation 23 of the Regulations, it is obligatory on the licensee to submit Annual License fee (ALF) and Annual Audited Accounts (AAAs) within 120 days of the close financial year.
3. That PTA vide letters dated 15th October 2020, 25th November 2020, and 28th December 2020 along with emails dated 27th October, 2020 and 15th April, 2023 directed the licensee to submit AAAs for the year ended 30th June, 2020 along with payment of ALF for the aforesaid year and vide letter dated 26th October 2021, 19th November 2021, and 21st December 2021 along with an email dated 9th March 2022 directed the licensee to submit AAAs for the year ended 30th June, 2021 along with payment of ALF 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 AAAs and non-payment of ALF for the aforesaid years 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 AAAs and making payment of ALF for the years ended 30th June, 2020 & 2021 including Late Payment Additional Fee (LPAF) for the said years **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 26th August 2022, 23rd January 2023 and 16th January 2024. It would be pertinent to mention here that SCN and hearing notices were issued on the address as provided and communicated by the licensee with PTA. The licensee replied vide its letter dated 8th June, 2022 that it has sold its business. However, it has been observed that the licensee neither submitted AAAs nor made payment of ALF including (LPAF) for the aforementioned years, nor it has sought Authority approval for change of management/ownership. Hence, the Hearing Panel has no option except to proceed against the licensee as per available record.

6. After the examination of available record, it is concluded that the licensee failed to comply with the aforementioned regulatory provisions.

7. **ORDER:**

7.1 Keeping in view the above-mentioned facts and 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 years ended 30th June, 2020 & 2021, along with payment of ALF for the aforesaid years including applicable LPAF to the Authority, whichever is earlier.
- b) In case of non-compliance of Para 7.1 (a) above, license No. DIR (L) / CVAS-853 / PTA / 2017 dated 15th June, 2017 of the licensee shall stand terminated upon expiration of one month after the 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.

Erum Latif
Director General (Law & Regulations)

Abdul Batin Khan
Director General (Wireline Licensing)

**Ubaid Tayyab**
Director (Finance)

Munammas Shanque
Director (Enforcement)

This enforcement order is signed on 12th June, 2024 and comprises of (02) pages only.