



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

**Enforcement Order under section 23 of the Pakistan Telecommunication
(Re-organization) Act, 1996 against Click to Secure (Pvt.) Limited**

No. PTA/Finance/CVAS-Data/Defaulter of CVAS licenses/1731/2021/924

Date of Show Cause Notice:	2 nd June, 2022
Venue of Hearing:	PTA HQs, Islamabad
Date of Hearings:	24 th August, 2022
	24 th January, 2023
	16 th 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, 2021”

DECISION OF THE OFFICERS OF THE AUTHORITY

1. Precisely stated the facts of the case are that Click to Secure (Pvt.) Limited (the “licensee”) was awarded a non-exclusive license No. DIR (L) / CVAS-656 / PTA/ 2015 dated 14th January, 2015 (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 (AAA) within 120 days of the close financial year.
3. That PTA vide letters dated 26th October 2021, 19th November 2021, and 21st December 2021 along with emails dated 18th November 2021 and 31st December 2021 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 Fees (LPAF). However, the licensee requested vide letters dated 9th December 2021, 31st December 2021 and 22nd February 2022 for extension of submission of AAAs for the year ended 30th June, 2021. Subsequently, the licensee submitted un-audited accounts vide its letter dated 10th March, 2022 lacking comparative figures from the previous financial year. The licensee was directed to submit AAAs as per requirement of the Authority vide email dated 16th March, 2022. However, licensee failed to adhere the instructions issued by the Authority.

4. Due to failure on the part of the licensee upon submission of AAAs and non-payment of ALF for the aforesaid year, including applicable LPAF, a Show Cause Notice (SCN) dated 2nd June, 2022 was issued to the licensee under section 23 of the Act. The licensee was instructed to remedy the aforementioned contravention by submitting AAAs and making payment of ALF for the year ended 30th June, 2021 including LPAF for the year ended 30th June, 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 scheduled for hearing on 24th August 2022, 24th January, 2023 and 16th January, 2024. On 23rd August 2022, the licensee requested an extension of hearing scheduled on 24th August 2022. On 24th August, 2022, the licensee re-submitted the same set of un-audited accounts, lacking comparative figures from the previous year in the financial statements. The deficiency related to submission of AAAs for the year was conveyed to licensee vide emails dated 14th November 2022, 9th February, 2023 and 22nd March, 2023. It is pertinent to mention that the licensee acknowledged the Authority's requirement of AAAs for the year ended 30th June, 2021 to include comparative figures for previous financial year vide email dated 22nd March, 2023. However, subsequently, the licensee neither submitted AAAs as per requirement of the Authority nor any payment was made on account of ALF for the year ended 30th June, 2021. Consequently, the Hearing Panel has left with 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 adhere the aforementioned applicable regulatory provisions.

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, 2021, along with payment of ALF for the aforesaid year 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-656 / PTA / 2015 dated 14th January, 2015 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.

Director General (Law & Regulations)

Abdul Batin Khan
Director General (Wireline Licensing)

 **Mubair Iqbal**
Director (Finance)

Muhammad Shafique
Director (Enforcement)

This enforcement order is signed on 19th June, 2024 and comprises of (03) pages only.