



GOVERNMENT OF PAKISTAN
PAKISTAN TELECOMMUNICATION AUTHORITY
Headquarters, F-5/1, Islamabad – 44000
<http://www.pta.gov.pk>

SAY NO TO CORRUPTION

Enforcement Order under Section 23 of the Pakistan Telecommunication (Re-organization) Act, 1996 against Trade Serve International (Pvt.) Limited for Non-Payment of Outstanding Dues of Rs.453,353/- for the Years 2007-08 to 2014-15 on account of Numbers Allocated 0900-1210x

File Ref: PTA/N&TA/Joint Indus-PRS/2190/2012/

Date of Issuance of Show Cause Notice: 11th February, 2015
Venue of Hearing: PTA HQs, Islamabad
Date of Hearing: 09th April, 2015

The Issue:

“Non-Payment of Outstanding Dues of Rs.453,353/- for the Years 2007-08 to 2014-15 on Account of Numbers Allocated 0900-1210x”

Panel of Hearing

Member Finance : Mr. Tariq Sultan
Member Enforcement & Compliance : Mr. Abdul Samad

ORDER OF THE AUTHORITY

1. This order shall dispose of the proceedings initiated through Show Cause Notice (SCN) bearing No. PTA/N&TA/Joint Indus-PRS/1871/2012/186 dated 11th February, 2015 served to the Trade Serve International (Pvt.) Limited (the "licensee") by Pakistan Telecommunication Authority (PTA) under Section 23 of Pakistan Telecommunication (Re-organization) Act, 1996 (the Act).

2. Brief Facts of the Case:

2.1. The licensee was awarded a non-exclusive Voice Class Value Added Services (CVAS) License No. Dir(L)/CVAS-83/PTA/2006 dated 19th December, 2006 (the "license") by PTA, to provide, establish, maintain and operate Voice CVAS in Pakistan, subject to the terms and conditions contained in the license.

2.2. Being a licensee of PTA, the licensee is obligated to comply with the provisions of the prevailing regulatory laws comprising of the Act, Pakistan Telecommunication Rules, 2000 (the "Rules"), Class Licensing and Registration Regulations, 2007, Pakistan Telecommunication Authority (Functions & Powers) Regulations, 2006, Number Allocation and Administration Regulations, 2011 (the Numbering Regulations) and the terms and conditions of the license.

2.3. A block of PRS numbers 0900-1210x (where x = 0 to 9) was allocated to the licensee vide letter No.1-7/02/Engg/PTA, dated 23rd January 2007 for provision of licensed services. It is clear under license condition No. 3 of the license read with Regulation 19 of Numbering Regulations, Regulation 12 of the Class Licensing and Registration Regulations, 2007 and Regulation 23 (1) (k) of Pakistan Telecommunication Authority (Functions & Powers) Regulations, 2006 that the licensee has the obligation to pay the numbers usage and allocation fee.

2.4. Accordingly, the licensee vide letters No. N&TA/Services Division dated 11th June, 2013, 24th June, 2013, 7th July, 2014 and final letter No. N&TA/Services Division dated 14th June, 2014 was required to pay Annual Numbering Charges of Rs.453,353/- for the years 2009-10 to 2013-14, but the licensee did not pay the charges.

2.5. Resultantly, due to the above contravention of the said license condition read with applicable regulations, PTA took cognizance of the aforesaid default and issued a Show Cause Notice (SCN) to the licensee on 11th February, 2015 under section 23 of the Act, wherein the licensee was required to remedy the contravention by paying Annual Numbering Charges of Rs.453,353/- (inclusive of Late Payment Charges) for the years 2007-08 to 2014-15 within seven (07) days of the issuance of the aforesaid SCN and also to explain in writing, within thirty (30) days of the issuance of this notice, as to why an Enforcement Order should not be passed against the licensee under section 23 of the Act, for the aforesaid contravention.

2.6. Before passing an enforcement order under Section 23 of the Act, the matter was fixed for hearing on 9th April, 2015. On the day of hearing, Mr. Zafar Mirza (Development Advisor) of the licensee attended the hearing and made representation on behalf of the Licensee. Mr. Zafar Mirza requested for the waiver of the Charges in respect of 'Late Payment' which the Authority did not allow. However, the Authority was pleased to grant 7 days' time for the payment of the outstanding amount, failing which, the Final Enforcement Order will be issued.

2.7. After the perusal of the record, it is determined that the licensee have failed to make payment within 7 days, as allowed by the Authority on 9th April, 2015 and has failed to comply with the terms and conditions of the license. In addition, the Licensee has consciously violated its License conditions, Numbering Regulations, Class Licensing and Registration Regulations, 2007 and did not make any payments nor value the repeated demands made by the Authority since allocation of PRS

block in 2007. The conduct of the licensee, in terms of fulfillment of its obligations contained in the license, is contumacious and perverse which falls within the ambit of sub-section (3) of section 23 of the Act and accordingly the contention made in the Show Cause Notice is hereby established.

3. ORDER:

3.1 Keeping in view the above mentioned facts coupled with the available record, the Authority hereby decides as under:

a) The licensee i.e. **Trade Serve International (Pvt.) Limited** is hereby directed to clear outstanding dues of Rs.187,353/- for the years 2007-08 to 2014-15, within fifteen (15) days from the date of issuance of this enforcement order. However, in light of court order dated 5th May, 2015 in F.A.O No. 25 of 2012 the penalty amounting to Rs. 266,000/- is pending till finality of the said judgment. The penalty will be payable as per court order; and

b) In the meanwhile, block of PRS numbers 0900-1210x allocated to the licensee vide letter No.1-7/02/Engg/PTA dated 23rd January 2007, stands withdrawn till the payment of all outstanding dues. Furthermore, in case of non-payment of dues as stated at para 3.1 (a) within the stipulated time license awarded to the licensee shall stand terminated and further legal proceedings under section 30 of the Act shall be initiated without any further notice.

Mr. Tariq Sultan
Member (Finance)

Mr. Abdul Samad
Member (Enforcement & Compliance)

This order of the Authority is signed on ____ day of October, 2015 and comprises three (03) pages only.