



PAKISTAN TELECOMMUNICATION AUTHORITY
Headquarters, F-5/1, Islamabad

**Enforcement Order under section 23 of the Azad Jammu and Kashmir Council Adaption
of the Pakistan Telecommunications (Re-Organization) Act, 2005**

No: PTA/Enf. Wireless/Mobile/Breakdown/46/2021/631

Date of Show Cause Notice : 19th March, 2021
Venue of Hearing : PTA HQs, Islamabad
Date of Hearing : 1st June, 2021

Panel of Hearing

Maj. Gen. Amir Azeem Bajwa (R) : Chairman
Dr. Khawar Siddique Khokhar : Member (Compliance and Enforcement)
Muhammad Naveed : Member (Finance)

The Issue:

“Breakdown of Major Communication Services in AJK”

1. Facts of the Case

1.1 Precisely stated facts of the case are that Telenor Pakistan (Pvt.) Ltd. (the “**licensee**”) is engaged in the business of cellular mobile services in Pakistan pursuant to non-exclusive license bearing MCT-04/WLL&M/PTA/2006 dated 26th June, 2006 (*as renewed w.e.f. 26th June, 2021*) for AJ&K and GB (the “**license**”) issued by the Pakistan Telecommunication Authority (the “**Authority**”) to establish, maintain and operate licensed system and to provide licensed cellular mobile services in AJK and GB on the terms & conditions contained in the license.

1.2 The licensee is obliged to comply with the provisions of prevailing regulatory laws comprising of the Azad Jammu And Kashmir Council Adaption of Pakistan Telecommunication (Re-Organization) Act, 2005 (the “**Act**”), the Pakistan Telecommunication Rules, 2000 (the “**Rules**”) the Pakistan Telecommunication Authority (Functions & Powers) Regulation, 2006 (the “**Regulations**”), Telecom Consumers Protection Regulations, 2009 (the “**Consumer Regulations**”), Standing Operating Procedure regarding Breakdown of Major Communication Systems/Circuits dated 14th Jan., 2020 (the “**SOP**”) and the terms and conditions of the license.

1.3 By virtue of clause (a) of sub-section (4) of section 21 of the Act read with clause 8.1 of the Appendix B of the Rules and condition 3.1 of the license, the licensee is under obligation to observe the provisions of the Act, Rules, Regulations, orders, determinations, directions and decisions of the Authority made or issued from time to time.

1.4 That section 4 (l)(m) read with section 6 (f) of the Act provides that the interest of users of telecommunication services are duly safeguarded and protected. More so, as per section 21(4) (1)

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of the Act protection of consumer rights is an obligation upon the licensee. Regulation 5 (1) of the Consumer Regulations further provides that Consumers shall be entitled for uninterrupted services at all times and in the case of unforeseen technical interruptions/faults the licensee shall inform the reasons for the interruption and expected time for restoration of licensed services to the Consumer by any means listed in sub regulation (2) of regulation 7 of the Consumer Regulations. Furthermore, regulation 5 (2) of the Consumer Regulations obligates the licensee to take all reasonable and necessary steps for providing Consumers with adequate arrangements/concessions in case of lengthy outages or licensed service interruption for which due notice was not served.

1.5 In terms of section 5 (2)(i) of the Act, the Authority is empowered to carry out inspections of telecommunication equipment and any premises owned or occupied by the licensees and summon any person for investigation and an inquiry. Further, section 21 (4) (c) of the Act states that every license granted under this Act contains conditions requiring the licensee to allow inspection by the Authority of any premise or telecommunication equipment and to furnish to the Authority such information as may be required by it.

1.6 Pursuant to clause No.3 (b) of the SOP the licensee is under an obligation to report about all major communication breakdowns to PTA HQs and its concerned zonal offices in jurisdiction of which the breakdown occurs through prompt information reporting system i.e., through mobile/telephone call, WhatsApp messages or SMS following within an email at cbd@pta.gov.pk and written report by all Services Providers on occurrence within two (02) hours. However, in the instant matter, the licensee has failed to comply with the same. It is relevant to point out that the licensee, contrary to mandatory requirements of reporting as provided in SOP, informed / intimated the Authority after a considerable delay. In addition, the licensee has also failed to substantiate any cogent reason for delay. Moreover, clause (g) of the SOP also requires the licensee on the same day to share the details of the communication breakdown/fault in Electronic News Channels and broadcast on social media along with tentative timeline(s) of restoration for the information of general public followed by intimating through print media on the next day.

1.7 That the licensee vide letter dated 5th January, 2021 intimated PTA about the incident / breakdown occurred on 29th & 31st December, 2020 and 1st January, 2021 which affected 43,500 subscribers and resulted in loss of 10% customers as per licensee's response. The licensee failed to provide a detailed descriptive report of the incident along with unfiltered OSS KPIs/parameters, all relevant supporting record as well non- provision of report in line with Authority's directions issued on 14th January, 2020, 30th December 2020 and 1st January 2021. The licensee also denied the access to its premises i.e., OSS/NOC on 3rd January, 2021 to the authorized representative(s)/ officer(s) of the Authority despite prior formal intimation. As a consequence thereof, a Show Cause Notice (SCN) was issued to the licensee on 19th March, 2021.

2. Reply to the SCN

In response to SCN, the licensee vide letters dated 22nd April 2021 and 27th May 2021 submitted detailed reply. The main submissions put forth by the licensee are reproduced hereunder:-

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“2.1 The tax demand note dated 24th December 2020 (the, “**Demand Note**”) issued by the Commissioner was never officially received by the Licensee due to the long weekend on account of Quaid-e-Azam day (25th 26th & 27th December, 2020). The Commissioner proceeded to illegally shutdown the Licensee’s Telecommunication Network. It is further submitted that on the same day Mr. Nasir Ali Khan, Director Regional Office PTA, AJK called a member of the Licensee’s regulatory team to inquire about the rise in customer complaints and requested urgent investigation into the matter. Upon investigation, it was discovered that the BTS towers of the Licensee’s Telecommunication Network are being illegally shutdown, due to issuance of the Demand Note and the same was communicated to Authority. The Demand Note letter was officially received on 29th December 2020 and the Licensee’s teams were mobilized for early resolution of the matter. In addition, the Licensee proceeded to file an Appeal in the Tax Tribunal, AJK which was not in session thereof, a Writ Petition No. 1949/2020, 1950/2020 and 1951 /2020 in the High Court of AJK was filed against such illegal tax demand Note of the Commissioner.

2.2 It is pertinent to mention that under Section 138 of Income Tax Ordinance, 2001, the Commissioner’s action for the recovery of tax is only limited to the attachment for sale of assets (other than telecommunication equipment) which do not include switching off public switch network deployed by the Licensee. Therefore, the Commissioner has clearly acted beyond his jurisdiction and has exceeded his statutory rights by forcefully shutting down the Telecommunication Network which was not warranted under the law. The Commissioner and others involved in shutting down Telecommunication Network of the Licensee, committed a criminal offense under the relevant laws which secures and protects the rights and interests of Telecom Operators. It is evident and more than clear considering the sequence in events that the Licensee has been victimized at the hands of the Commission to immense loss of revenue to the extent of Rs.14.72 million, permanent loss of 10% customers and reputational loss to the Licensee, which we are accessing and shall be raised in due course of time. The Commissioner and others involved, for committing this crime, should be undoubtedly prosecuted in accordance with the various laws of the land that afford protection to Telecom Operators, which will be a lesson and serve as a precedent to avoid any such reoccurrence in the future.

2.3. The Licensee has always provided uninterrupted services as per License Clause 1.1.2 of the license and has never denied or refused to provide telecommunication services to its consumers, however, the interruption in the provision of services was a result of the unwarranted act on the part of the Commissioner which was beyond the Licensee’s control. In addition, the Licensee has always shown compliance to the provisions of the Acts, Rules and Regulations as per section 21 (4) (a) of the Act, Clause 8.1, Appendix B of Pakistan Telecommunication Rules 2000 (the, “Rules”)

and condition 3.1 of the License. Therefore, the Licensee was not in non-compliance of the above-mentioned provisions of the law and violation of provisions as quoted in the SCN are not committed or applicable to the Licensee in view of the facts and circumstances submitted herein. Therefore, allegations in SCN in this regard are false, not sustainable or maintainable and are liable to be withdrawn and set aside without further progress in the matter.

2.4.1 The provisions, namely Section 4(l)(m), 21(4)(1) and 6(f) of the Act, Regulations 5(1), 5(2) and 7(2) of the Telecom Consumer Protection Regulations 2009 relate to the protection of the interests of the consumers by the Authority. Clause 6.2.1 of the License pertains to the provision of a 90 days' written notice to the consumers and prior approval of the Authority for discontinuation of services. The Licensee has and will ensure compliance with the said provisions in circumstances in which such events may arise and has provided the due notice in lieu thereof to its consumers in the past. However 90 days' prior notice in the current state of affairs could not be provided to the consumers or to the Authority as the forceful shutdown of the network was not due to any planned or forecasted technical interruption/fault of the Licensee and was a direct consequence of the illegal act undertaken by the Commissioner. Therefore, allegations in SCN in this regard are false, not sustainable or maintainable and are liable to be withdrawn and set aside without further progress in the matter.

2.5 The service breakdown was due to the involvement of a AJK Government through Commissioner, under purported discharge of his official duties and not as a result of the Licensee's forecasted shutdown, therefore, as per the requisite Section 7.2.1 (iv) of the License, any refunds or rebates to the consumers are not applicable under the given circumstances, rather is entitled to be compensated by Government of AJK and or the Commissioner. The Commissioner failed to take the Authority or the Licensee into confidence prior to forcefully shutting down the network, and illegally proceeded to take the action of interfering with telecommunication equipment at the cost of consumers and the Licensee. In lieu of the above, the Authority being the Regulator should have intervened in this matter and provided its due support in countering the unwarranted act by the Commissioner and strived towards an amicable resolution to the same. Therefore, allegations in SCN in this regard are false, not sustainable or maintainable and are liable to be withdrawn and set aside without further progress in the matter.

2.6 The illegal action of the Commissioner could not have been foreseen as there was no point in getting prior information by the violator before committing the said crime, hence, expecting a heads-up from them is devoid of common prudence. For the early restoration of services and to continue ensuring uninterrupted services to the Licensee's consumers, the illegal tax

demand was immediately challenged in the court of law and the Licensee successfully acquired a stay order dated 31st December' 2020 in W.P. No. 1949/2020, 1950/2020 and 1951/2020 filed by High Court of AJK. Even after getting a status quo order in Licensee's favor, the assailants took two more days to start restoring the telecommunication network of the Licensee under the garb of their illegal, illegitimate, irrational and completely unwarranted demand, natural recourse of which could never have been anything near to interference less disruption of the Licensee's network at the entire cost of consumers. Therefore, allegations in SCN in this regard are false, not sustainable or maintainable and are liable to be withdrawn and set aside without further progress in the matter.

2.6.1 That sections 5(2)(i), 21(4)(c), 31(l)(m) of the Act, section 37 of Functions and Power Regulations, 2006 and 6.6.1 of the License pertains to inspections by Authority and offences and penalties. The Licensee has always been in compliance with the orders of Authority including but not limited to premises inspection and visits to its vicinities. However, given the prevalent circumstances in respect to Covid 19 and strict organizational standing orders for the protection of employees, the request for the visit by Authority's officials could not be entertained as the company wide work from home was enforced for continued safety of the employees. At the time of the request to visit, the Network Operation Centre (NOC) at the Licensee's office was not fully operational and was being managed mostly remotely by the team. Therefore, Licensee's teams were not present at the vicinity and were complying with the requirements of working from home. Therefore, allegations in SCN in this regard are false, not sustainable or maintainable and are liable to be withdrawn and set aside without further progress in the matter.

2.7 In doing so, the Licensee was also showing compliance to official Government notifications to prevent and reduce the spread of the disease by reducing the work force at offices and to avoid large gatherings. In addition, the Licensee did not intentionally obstruct any official of Authority but was in fact in compliance with Government advisory, therefore, the Licensee regret that in the circumstances it could not help and facilitate Authority's visit for the reasons beyond its control. However, the Licensee undertake to allow access to the Authority to its NOC after due notice and ensuring all health and safety precautions in accordance with national and international recommendations in this regard. Therefore, allegations in SCN in this regard are false, not sustainable or maintainable and are liable to be withdrawn and set aside without further progress in the matter.

2.8 That Section 6.4 of the License relates to the provision of information to Authority. The Licensee is always obliged to provide the requested information to Authority, however, teams wanted further clarity on the Raw/Unfiltered OSS KPIs to ensure that the Licensee submits the

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precise and accurate information to Authority for its further perusal and use. The requested information was provided to Authority in the same form and manner as requested. It is pertinent to mention here that the Licensee did not deny access to any such information requested by Authority. Therefore, allegations in SCN in this regard are false, not sustainable or maintainable and are liable to be withdrawn and set aside without further progress in the matter.

2.9 That Section 3(b), 3(c) and 3(g) of the SOP pertains to reporting of any planned or unplanned breakdown of Telecommunication System as defined therein to the Authority and its publication on social media/news channels. The illegal shutdown was due to the involvement of AJK Government through Commissioner, under purported discharge of his official duties and not at the discretion or convenience of the Licensee. A few BTS sites were down on 29th December, 2020 which in Licensee's team's opinion did not raise any alarms to invoke SOP for communication breakdown since relevant teams were able to restore a major chunk of down BTS sites via traffic re-routing. It was not until the Commissioner started hunting down for hub sites which led to a major network blackout.

2.10 In light of these chain of events and in the absence of complete information at initial stage, it was practically impossible to report these incidents to Authority and/or publish to any news channel or social media as relevant teams were in the process of engaging requisite teams for an emergency action and restoration of the BTS sites. It is also pertinent to mention that the Licensee had two meetings with the Commissioner on 30th and 31st December 2020 to discuss and resolve the illegal tax demand. Authority's officials did not accompany Licensee's teams to either meetings, it is safe to assume that if officials of the Authority accompanied Licensee's teams the consequences of the illegal shutdown could have been avoided and helped building and strengthening Licensee's stance and position before Commissioner and also would have served as a precedent for any future reoccurrence. It is also pertinent to mention that the Licensee intimated the Authority via letter dated 5th January 2021 and images over the illegal actions of the Commissioner and filed a complaint to the Authority under Section 31 of the Act.

2.11 The provisions of the SCN are based on network breakdown, whereas, there is a considerable difference between a network breakdown and forceful shutdown by AJK Government through Commissioner under purported discharge of his official duties. The network breakdown includes faults/technical maintenance for which the Licensee is under an obligation to comply with relevant Acts, Regulations and License provisions. On the other hand, a forceful shutdown is a deliberate act and would include an unlawful act of a third party by taking law in its hands and surpassing the powers of Authority and applicable laws of the land.

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2.12 It is important to reiterate that the Licensee has not been in violation of providing information and was able to diligently discharge its duty to provide the said information within 14 days as envisaged under Clause 12.4 of the License. It is further imperative to highlight that the said incident was beyond the Licensee's control and cannot be termed as a breakdown by any stretch of imagination. The incident itself by all means was an event of Force Majeure as defined in the aforesaid clause which is reproduced hereunder:

"Notwithstanding anything to the contrary contained in this License, if the Licensee shall be rendered unable to carry out the whole or any part of its obligations under this License for any reason beyond the control of the Licensee, including but not limited, to acts of God, strikes, war, riots etc., then the performance of the obligations of the Licensee as it is affected by such cause shall be excused during the continuance of any liability so caused, provided that the Licensee has taken all appropriate precautions and reasonable measures to fulfil its obligation and that it shall within 14 days of its first occurrence notify to the Authority the same and cause of such inability and its efforts to remove such cause and remedy its consequences".

2.12.1 *As per the Force Majeure clause of the License reproduced above. Licensee's obligations under legal provisions as identified under SCN were thereby were suspended and the penalty to be imposed under Section 23 of the Act is not applicable or enforceable. The chain of events leading up to the forceful shutdown and the actions taken by the Licensee, subsequent to the Force Majeure, to inform Authority has been detailed as below in chronological order including a detailed report under Section 31 of the Act to inform the Authority as mentioned above, causes of such occurrence was submitted along with the desired remedy in terms of taking action against the culprits was also sought.*

2.12.2 *It is evident from Clause 12.4 that the Licensee is absolved of any liability caused because of such an occurrence during the continuity of the incident as a Licensee, hence, none of the obligations mentioned in the SCN remains applicable to the licensee in the given situation. Therefore, allegations in SCN in this regard are false, not sustainable or maintainable and are liable to be withdrawn and set aside without further progress in the matter.*

2.12.3 *That under section 54 of the Act, only the Federal Government of Pakistan has the powers to suspend operation of Telecommunication Services or any part thereof and no other person is authorized to do so. It is relevant to mention that switching off a public network is an offence under section 31 of the Act and the action by the Commissioner Inland Revenue on switching off the public switch network clearly falls under the ambit of Section 31 as a punishable offence. Therefore, allegations in SCN in this regard are false, not sustainable or maintainable and are liable to be withdrawn and set aside without further progress in the matter.”*

2.13 It is also imperative that under 25, 25A, 25C of the Telegraph Act and section 31 (1) of the Act whoever, under sub-section (f) prevents or obstructs the transmission or delivery of any intelligence through a telecommunication system or telecommunication service; under sub-section (h) commits mischief; under subsection (i) damages, removes, interferes or tampers with any telecommunication equipment; under sub-section (k) assaults or intentionally obstructs a person engaged in the operation of a public switched network or the establishment, maintenance or operation of telecommunication services over a public switched network or intentionally obstructs the course of business of that person, shall be deemed to have committed an offence, which is punishable with imprisonment for three (3) years or fine of Rs. 10,000,000 Rupees (ten million) or with both. Therefore, allegations in SCN in this regard are false, not sustainable or maintainable and are liable to be withdrawn and set aside without further progress in the matter.

2.14 That Telecommunication System established, maintained and Telecommunication Services being provided by the Licensee is “Critical Infrastructure” under section 2(1) (j) of Prevention of Electronic Crimes Act, 2016 (“PECA”), and if any one interferes with Critical Infrastructure Information System or Data shall be punished with imprisonment which may extend to seven (7) years or with fine which may extend to (Rs. 10,000,000 (Rupees ten million) or with both. Therefore, allegations in SCN in this regard are false, not sustainable or maintainable and are liable to be withdrawn and set aside without further progress in the matter.

2.15 The Federal Government of Pakistan issued and notified the “Public & Private Right of Way Policy Directive” on 09th October 2020. As per clause 10 of the Policy Directive, a Telecommunication System has been declared as a Critical Telecommunication Infrastructure and any person acting to incapacitate, restrict, destruct, damage, or interfere with smooth operations of such infrastructure systems and assets would be deemed to be debilitating privacy, national security, public health or safety, or any combination of these matters. Therefore, allegations in SCN in this regard

are false, not sustainable or maintainable and are liable to be withdrawn and set aside without further progress in the matter.

2.16 Clause 14 of the Policy Directive further states:

(i) any person who directly or indirectly commits any action as provided for in section 31 of the Act shall be punished accordingly,

(ii) No Government Agency or department is allowed to seal or dismantle or forcefully shutdown the BTS or causes damage to Telecommunication Equipment, except for the execution of the court order or in the matter of National Security covered under Section 54 of the Act.

(iii) Strict legal action shall be initiated as per applicable law, rules, and regulations by the Licensee against any willful or negligent damage to the telecom infrastructure facility and causing interruption to the network connectivity.

2.17 Therefore, allegations in SCN in this regard are false, not sustainable or maintainable and are liable to be withdrawn and set aside without further progress in the matter.

2.18 That issuance of the SCN is not justified in its true essence as the Licensee has been victimized by the illegal and unwarranted actions of the Commissioner which led to the forceful shutdown of the network resulting in immense loss of revenue to the extent of Rs.14.72 million, permanent loss of 10% customers and reputational loss to the Licensee which we are accessing and shall be raised in due course of time. The said incident was completely beyond the Licensee's control.

2.19 That SCN is attributing this unforeseeable, uncontrollable, criminal and illegal act on the Licensee whereas per the information above, the Commissioner violated all laws, and also in violation of certain laws of the land mentioned herein. Being the victim of the alleged actions, the Licensee invested all its efforts and prioritized its network restoration by approaching the Court of Law to ensure continued services to its customers. In respect, the Licensee had expectation from the Authority to intervene in this major and forceful network shutdown or take any action against the Commissioner over the illegal act. Authority, from the very outset, should have supported the Licensee in this time of crisis which would have led to the early restoration of the network shutdown and would have prevented the Licensee from approaching the Court of Law and facing loss of revenue and reputation during the said period.

2.20 It is respectfully submitted that if the action under the SCN is continued, this will amount to double jeopardy to the Licensee being victim of the incident. It is a settled principle of the law that the victim cannot be turned into an accused for the occurrence complained by him. We humbly

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request Authority to please initiate strict actions against the Commissioner and form a precedent to avoid the occurrence of similar illegal events in the future.”

3. Hearing before the Authority

3.1 In order to proceed further, the matter was fixed for hearing on 1st June, 2021 before the Authority. Mr. Shams-ul-Haq Khalid (CTH), Mr. Haider Latif Sandhu (Director Legal Affairs), Mr. Zain Ali (Manager Legal), Muhammad Irshad (Advocate), Mr. Raza Zulfiqar Naqvi (VP Regulations) and Mr. Ali Aamer Khan (Head of Regulatory) attended the hearing on the said date. During hearing, the licensee reiterated the submissions as already made through its written reply to the SCN.

4. Findings of the Authority

Matter heard and record perused. After careful examination of record, arguments and written reply to SCN filed by the licensee, following are the findings:

Breakdown of services:

4.1 There is no dispute pertaining to closure of telecommunication services. The question which needs to be determined relates to the level of responsibility for such closure / discontinuation of telecommunication services. Available record reveals that as consequence of issue between the licensee and the Revenue Authorities, premises/ sites were closed down which caused disconnection / discontinuation of telecommunication services. Moreover, the issue was never reported to PTA about the occurrence of the incident.

4.2 The contention of the licensee that closure of telecommunication services was done by the revenue authorities, *despite the fact there were court cases*, is not a justifiable reason on the premise that as per license terms and conditions, the licensee is under obligation to abide by all laws for the time being in force in AJK. The plea of the licensee that sites were shut down by revenue authorities would not suffice to repudiate the licensee from its license obligations with regard to provision of telecommunication services to end users. It is the responsibility of the licensee to take all possible efforts and measures to avoid any uncalled for situation and eventualities which may adversely impact on its consumers. As a consequence of taking a proactive approach or taking prompt action before the occurrence of closure of sites of the licensee, the discontinuation of telecommunication services could have been avoided. Thus at this juncture the contention of the licensee is not sustainable.

Non-adherence of Standing Operating Procedure of PTA:

4.3 It has also been observed that the licensee is under an obligation to abide by the terms and condition of license and all directions / instructions of the Authority issued from time to time. Similarly, with regard to handling such circumstances, a

Standing Operating Procedure i.e., Breakdown of Major Communication Systems/Circuits was issued to the licensee for implementation. Clause 3 (b) of the SOP provides that all major communication breakdowns are required to be reported to PTA HQs and its concerned zonal offices in jurisdiction of which the breakdown occurs through prompt information reporting system i.e., through mobile/telephone call, WhatsApp messages or SMS following with an email at cbd@pta.gov.pk and written report by all Services Providers on occurrence within two (02) hours. Whereas, as per available record, no such communication / information was conveyed to PTA within the stipulated time. Hence, the licensee's claim during hearing before the Authority held on 1st June, 2021 that the Zonal Director was approached by the licensee on 29th December, 2020 is contrary to the verified factual position.

Non-observance of timelines as well as Public Notice as per SOP:

4.3 It is also relevant to point out that after taking up the matter with the licensee by PTA and carrying out inquiry into the matter, the licensee reluctantly reported through a formal letter about the incident with a lapse of four days. Such delay on the part of the licensee is a sheer contravention of procedure as laid down in SOP.

4.4 Moreover, clause (g) of the SOP provides that the licensee on the same day shall share the details of the fault in Electronic News Channels and broadcast on social media along with tentative timeline(s) of restoration for the information of general public followed by intimating through print media on the next day and the same was also not complied with by the licensee. Due to failure on the part of the licensee with regard to non-adhering regulatory compliances, consumers were deprived from telecommunication services without any notice. Presumably, considering the licensee's contention that services were discontinued due to closures of sites by revenue authorities then question arises that as to what measures were taken by it as to ensure the provision of uninterrupted licensed services to end users. In this regard the licensee, during hearing asserted that a public notice was published in-line with clause 3(g) of the SOP, however, no proof has been provided to this effect.

Discontinuation of services to consumer due to breakdown:

4.5 With regard to ascertaining the non-provision of licensed services, the licensee reported that 250 out 422 sites were impacted and total number of subscribers in AJK as of December 2020 were 1,950,000. On the other hand, the licensee claimed that only 43,500 subscribers were affected which is not justifiable as at least 60% subscribers would have been affected due to 60% network outage. It is pertinent to highlight that 60% subscribers of 1,950,000 turns out to be 1,170,000 subscribers. In addition, the licensee on 3rd January, 2021, informed Authorized representative(s) / officer (s) of the Authority that NOC teams are working from home and as per routine quarterly KPIs will be shared with PTA. However, contrary to the claim of the licensee, it is an admitted fact that NOC/OSS

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cannot be operated in isolation and sharing of quarterly KPIs does not translate with the incident under reference in any manner.

5. ORDER

5.1 In light of foregoing discussion and findings, it is an admitted position that the licensee is at fault due to non-adherence of applicable regulatory framework, therefore, the Authority directs the licensee as under:

- (a) The licensee shall tender an apology to all its affected consumers in the print and electronic media in an unambiguous and legible format;
- (b) The Authority imposes a fine to the tune of Rs.50,000,000/- (*Rupees Fifty Million Only*) out of which:
 - (i) an unconditional refund of Rs.18,000,000/- (*Rupees Eighteen Million Only*) shall be made to the 60% affected subscribers forthwith, along with compliance report, containing details of consumers affected, within 15 days from the receipt of this order;
 - (ii) the remaining amount of Rs.32,000,000/- (*Rupees Thirty-Two Million Only*) to be deposited in the Authority's designated account within 15 days from the receipt of this order; and
- (c) A certificate from external auditor to confirm that refund has been made to all affected subscribers in the required manner within 60 days from the receipt of this order.

5.2 In case of non-compliance of the afore-referred direction, further legal action will be initiated without any notice.

Maj. Gen. Amir Azeem Bajwa (R)

Chairman

Muhammad Naveed
Member (Finance)

Dr. Khawar Siddique Khokhar
Member (Compliance & Enforcement)

Signed on 6th day of December, 2021 and comprises of (12) pages only.