



PAKISTAN TELECOMMUNICATION AUTHORITY  
HEADQUARTERS, F-5/1, ISLAMABAD  
Ph. 051-9214243 Fax: 051-2878113

<http://www.pta.gov.pk>

**Enforcement Order under Sub-section 3 of Section 23 of the Pakistan Telecommunication (Re-organization) Act, 1996 against ARY Communication (Pvt.) Limited due to Non Submission of Annual Audited Accounts and Non Payment of Annual License Fee for the year ended 30<sup>th</sup> June 2007 till 2010**

PTA/Finance/ CVAS/ Defaulters/1180/2011

Date of Issuance of Show Cause Notice: 29<sup>th</sup> September, 2011  
Venue of Hearing: PTA HQs, Islamabad  
Date of Hearing: 13<sup>th</sup> Dec., 2011

**Panel of Hearing**

- |                         |                                      |
|-------------------------|--------------------------------------|
| 1. Tariq Sultan:        | Director General (Finance)           |
| 2. Aslam Shahab Hassan: | Director General (Licensing)         |
| 3. Ali Asghar:          | Director General (Law & Regulations) |

**DECISION OF THE OFFICERS OF THE AUTHORITY**

**1. Brief facts of the case:**

1.1 ARY Communication (Pvt.) Limited (the "licensee"), was awarded a non-exclusive License No. DIR(L)/CVAS-68/PTA/2006 dated 19 April 2006 (the "license") by Pakistan Telecommunication Authority (the "Authority") to provide Voice Class Value Added Services in Pakistan subject to the terms and conditions contained in the license.

1.2. The licensee vide clause 3 of the license read with regulation 11 of the Class Licensing and Registration Regulations, 2007 and regulation 23 of the Pakistan Telecommunication Authority (Functions & Powers) Regulations, 2006 make it obligatory on the licensee to submit Annual Audited financial statements and summary of accounts within three months and to pay Annual License Fee within 120 days of the end of the financial year to which such fee.

1.3. The licensee vide letters dated 20 Aug 2007, 10 Nov 2008, 21 Nov 2008, 3 Dec 2008, 26 Oct 2009 and 18-02-2011 was required to submit Annual Audited Accounts (AAAs) and Annual License Fee (ALF) for the year ended 30<sup>th</sup> June, 2007 till 2010 but despite repeated demand and reminders issued to the licensee, it has failed to comply with the same.

1.4. Resultantly, due to non-submission of AAAs and non-payment of ALF for the years mentioned above read with applicable regulations, the Authority under section 23 of the Pakistan Telecommunication Authority (Re-organization) Act, 1996 (the "Act") issued a Show Cause Notice (SCN) on 29<sup>th</sup> September, 2011 to the licensee, wherein the licensee was required to

remedy the contravention by submitting AAAs and ALF with seven working days from the date of issuance of SCN and explain in writing as to why any enforcement order should not be passed under section 23 of the Act.

1.5. Before passing an enforcement order under sub-section 3 of Section 23 of the Act, the matter was fixed for hearing on 13<sup>th</sup> December, 2011. Mr. Gul Faraz (Manager operations) attended the hearing on the said date. The licensee during hearing committed and ensured to submit Annual Audited Accounts and Annual License Fee for the year ended 30<sup>th</sup> June 2007 till 2010 by 31 Jan 2012, however, the same has not yet been provided/submitted by the licensee.

1.6. Keeping in view the above mentioned facts coupled with the available record, the hearing panel hereby passes the following orders:

- a. The license is hereby suspended for a period of one month or till the submission of Annual Audited Accounts and payment of Annual License Fee including late payment additional fee @ 2% per month or part thereof for the year ended 30<sup>th</sup> June 2007 till 2010 whichever is earlier.
- b. In case of non-compliance of Para 1.6 (a) above, license No. DIR(L)/CVAS-68/PTA/2006 dated 19<sup>th</sup> April 2006 of the licensee i.e. ARY Communication (Pvt.) Limited shall stand terminated without any further notice.
- c. All LDI, LL and Mobile licensees are directed to suspend immediately all telecommunication facilities extended to the licensee pursuant to the license till further orders of the Authority.

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Tariq Sultan  
Director General (Finance)

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Aslam Shahab Hassan  
Director General (Licensing)

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Ali Asghar  
Director General (Law & Regulations)

This enforcement order signed on 13-4-12 and comprises of 02 pages only.

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Under section 7(2) of the Pakistan Telecommunication (Re-organization) Act, 1996 read with rule 27 of the Pakistan Telecommunication Rules 2000 and regulation 40 of the Pakistan Telecommunication (Functions & Powers) Regulations, 2006, the licensee may file an appeal before the Authority within thirty days from the date of receipt of this order.