



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

**Enforcement order under sub-section 3 of section 23 of the Pakistan Telecommunication  
(Re-organization) Act, 1996 against, Z-Communication (Pvt) Limited.**

Date of Issuance of Show Cause Notice: 4<sup>th</sup> June, 2010  
Venue of Hearing: PTA HQs, Islamabad  
Date of Hearing: 9<sup>th</sup> August, 2010

**The Authority present:**

S. Nasrul Karim A. Ghaznavi: Member (Finance)  
Dr. Khawar Siddique Khokhar: Member (Technical)

**The Issue:**

"Non payment of PTA dues and failure in submitting annual audited accounts for the years June 30, 2007 to June 30, 2009"

**DECISION OF THE AUTHORITY 1.**

**BRIEF FACTS:**

- 1. Z-Communication (Pvt) Limited** (the "licensee") was awarded non-exclusive license No. Dir(C)/L/291/2000 dated 27<sup>th</sup> June, 2000 (the "license") by Pakistan Telecommunication Authority (the "Authority"), to establish, maintain and operate Card Payphone Services in Pakistan, subject to the terms and conditions contained in the license.
2. The licensee has defaulted in submission of annual audited accounts alongwith annual license fee for the years ended on 30<sup>th</sup> June, 2007, 2008 and 2009 till date. In this regard the Authority made various requests to the licensee but in vain. Hence, the Authority issued Show Cause Notice (the "Notice") dated 4<sup>th</sup> June, 2010 under section 23 of the Act whereby required the licensee to remedy the contravention by submitting annual audited accounts alongwith annual license fee including late payment charges (@2% per month or part thereof) for the years ended on 30<sup>th</sup> June, 2007, 2008 and 2009 within seven days and also to submit written reply to the Notice within thirty (30) days of the issuance of the Notice and explain as to why the license should not be suspended, terminated or any other enforcement order should not be passed under section 23 of the Act against the licensee.
3. But the licensee neither submitted its reply to the Notice within the statutory period of thirty days nor submitted annual audited accounts alongwith annual license fee for the aforesaid period, hence, committed sheer violation of the provisions of the license and the Act.

4. Therefore, before passing an enforcement order a Hearing Notice dated 29<sup>th</sup> July, 2010 was issued and served on the licensee whereby informed the licensee to attend the hearing dated 9<sup>th</sup> August, 2010.
5. Mr. Muhammad Amin appeared before the Authority on the said date on behalf of the licensee. He stated that for the time being it is difficult for the licensee to prepare the annual audited accounts and to manage payment of fees due to recent flood and requested three months time for providing the aforesaid annual audited accounts alongwith annual license fees.

## 6. ORDER

6.1. Keeping in view the above mentioned facts coupled with the available record, the Authority hereby decides to pass the following enforcement order:

- (a) Z-Communication (Pvt) Limited is hereby directed to provide annual audited accounts for the years ended on 30<sup>th</sup> Jun, 2007, 2008 and 2009 alongwith annual license fee including late payment charges (@ 2% per month or part thereof) within a period of three months from the issuance of this determination.
- (b). In case of non-compliance of Para 6.1 (a) above, its license No.Dir(C)/L/291/2000 dated 27<sup>th</sup> June, 2000 shall stand SUSPENDED w.e.f. 5<sup>th</sup> January, 2011 without further notice till further orders of the Authority. However, on receipt of aforesaid annual audited accounts alongwith annual license fee, its aforesaid license shall be restored.

(S. Nasrul Karim A. Ghaznavi)  
Member (Finance)

(Dr. Khawar Siddique Khokhar)  
Member (Technical)

This determination signed on 4/10/2010 and comprises 02 pages.