



PAKISTAN TELECOMMUNICATION AUTHORITY  
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**Enforcement Order under Sub-section 3 of Section 23 of the Pakistan Telecommunication (Re-organization) Act, 1996 against Live Line Broad Band (Pvt.) Ltd**

File No. PTA/ Finance/CVAS-Data/Liveline Broadband/919/2006

Date of Issuance of Show Cause Notice: 14<sup>th</sup> April, 2011  
Venue of Hearing: PTA HQs, Islamabad  
Date of Hearing: 14<sup>th</sup> June, 2011

**The Authority present:**

Dr. Mohammed Yaseen: Chairman  
Dr. Khawar Siddique Khokhar: Member (Technical)

**The Issue:**

“Non-submission of Annual Audited Accounts and non-payment of Annual Regulatory dues including late payment additional fee for the years ended 30<sup>th</sup> June, 2008 to 2010”

**DECISION OF THE AUTHORITY**

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

1.1 Live Line Broad Band (Pvt.) Ltd. (the “licensee”) was awarded non-exclusive license No.Dir(L)/CVAS-179/PTA/2007 dated 31<sup>st</sup> January, 2007 (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.

1.2 The licensee, under license condition No.3 of the license, was obliged to submit annual audited financial statement and summary of accounts within three months. As per sub-regulation 1 of regulation 11 of the Class Licensing and Registration Regulations, 2007 the licensee is required to pay annual license fee to the Authority calculated on the basis of

percentage of the Licensee's annual gross revenue from Licensed Services for the most recently completed Financial Year minus Inter-operator payments from the effective date of the license as decided by the Authority from time to time provided that the annual charges shall be payable for subsequent years. In case of late payment of any fee the licensee within time is obliged to pay an additional fee at the rate of 2% per month on the outstanding amount for each month or part thereof under sub-regulation (6) and (7) of the regulation 23 of the Pakistan Telecommunication Authority (Functions & Powers) Regulations, 2006.

1.3 The licensee vide PTA's letter dated 26<sup>th</sup> October, 2009, 16<sup>th</sup> November, 2009 and 18<sup>th</sup> February, 2011 was required to submit Annual Audited Accounts (AAAs) along with the payment of Annual License Fee (ALF) including late payment charges @ 2% per month on the outstanding amount for each month or part thereof for the years ended 30<sup>th</sup> June, 2008 to 2010 but the same was not complied with. Resultantly, due to contravention of the said license condition read 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 14<sup>th</sup> April, 2011 to the licensee.

1.4 The licensee under SCN was required to remedy the said contravention by submitting AAAs along with the payment of related ALF including late payment additional fee for the year ended 30<sup>th</sup> June, 2008 to 2010 within seven days and also directed to explain in writing within 30 days of the issuance of SCN as to why the license should not be suspended, terminated or any other enforcement order should not be passed against the licensee under section 23 of the Act. The licensee neither remedied the contravention nor replied the SCN within the stipulated time i.e., 30 days.

1.5 Before passing an enforcement order under sub-section 3 of section 23 the Act the matter was fixed for hearing on 14<sup>th</sup> June, 2011. The licensee also failed to attend the hearing on the said date. It would be pertinent to mention here that SCN and hearing notice were issued on the address as provided and maintained by the licensee with the Authority and were not received back undelivered, thus deemed to have been delivered and communicated to the licensee under regulation 46 of the Pakistan Telecommunication Authority (Functions & Powers) Regulations, 2006.

1.6 The record perused and examined, it is concluded that the licensee did not pay any heed to observe and comply with the terms and conditions of license, letters issued to the licensee with respect to submission of AAAs and ALF as well as SCN issued to the licensee. The conduct of the licensee in terms of accomplishment of obligations contained in the license is non-serious and non-compliant which falls within the ambit of sub-section (3) of section 23 of the Act.

## 2. ORDER

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

- (a) The license of Live Line Broad Band (Pvt.) Ltd. is hereby suspended for a period of one month or till the submission of annual audited accounts along with the payment of annual license fee for the financial years ended 30<sup>th</sup> June, 2008 to 2010 including late payment additional fee @ 2% per month on the outstanding amount for each month or part thereof for the years ended on 30<sup>th</sup> June, 2008 to 2010, whichever is earlier.
- (b). In case of non-compliance of Para 2.1 (a) above, license No. Dir(L)/CVAS-179/PTA/2007 dated 31<sup>st</sup> January, 2007 of the licensee shall stand terminated upon expiration of one month after the date of issuance of this order without any further notice and recovery proceedings under section 30 of the Act shall be initiated by the Authority against the company i.e., Live Line Broad Band (Pvt.) Ltd. for recovery of all payable dues as arrears of land revenue. While in case of submission of Annual Audit Accounts along with payments as per para 2.1 (a) the license shall be restored.
- (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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Dr. Khawar Siddique Khokhar  
Member (Technical)

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Dr. Mohammed Yaseen  
(Chairman)

This enforcement order signed on \_\_\_\_\_ and comprises of 03 pages only.