

GOVERNMENT OF INDIA
MINISTRY OF COMMUNICATION AND INFORMATION TECHNOLOGY
RAJYA SABHA
QUESTION NO 18.11.2010
ANSWERED ON
AMENDMENT IN LICENCE OF TELECOM OPERATORS .

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Shri A. Elavarasan

Will the Minister of COMMUNICATION AND INFORMATION TECHNOLOGY be pleased to state :-

- (a) whether Government has decided to amend the licence under which private telecom operators allowing the CAG to audit their books every year to ensure that they do not fudge their numbers and pay less than its due;
- (b) if so, the details thereof;
- (c) whether the CAG is already examining the accounts of all telecom operators for three years beginning 2006-07 following a DoT directive and the operators are not in favour of the direction; and
- (d) if so, the details thereof and stance of Government in this regard?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY

(SHRI SACHIN PILOT)

(a) & (b) Sir, the issue regarding powers of the CAG to audit accounts of Private Service Providers (PSPs) is sub-judice before judicial foras. As per legal advice, any change in the agreement may be considered only after the issue is finally adjudicated upon.

(c) & (d) The CAG has taken up the verification of correctness of the Gross Revenue (GR) computed by the PSPs for calculation of revenue share to be credited to the Government Accounts. M/S Bharti Airtel, M/S Reliance Communication, M/S Vodafone and M/S Tata Teleservices and their group licensee companies have been selected by the CAG of India for the current year. The operators were asked to provide relevant accounting records for three years commencing 2006-07 by DoT.

Out of these four companies M/S Reliance Communications and M/S Tata Teleservices have submitted most of the information, while M/S Vodafone and M/S Bharti Airtel have not fully complied with the requirements. This exercise is only for the verification of correctness of the Gross Revenue and not the Audit of Accounts of Private Telecom Operators. CAG proposes to take up the verification of the correctness of the revenue of all operators in a phased manner.