

**GOVERNMENT OF INDIA**  
**MINISTRY OF COMMUNICATION AND INFORMATION TECHNOLOGY**  
**RAJYA SABHA**  
**QUESTION NO 04.03.2011**  
**ANSWERED ON**  
**INVESTIGATIONS INTO G SPECTRUM ALLOCATION SCAM**

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SHRI RAMDAS AGARWAL

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

- (a) whether it is a fact that 2G spectrum is a mega telecom scam in the country as per CAG Report;
- (b) if so, the present stage of ongoing investigations by various agencies and the time likely to be taken to complete the same; and
- (c) how many officials/companies were involved in this scam along with the details thereof, Department-wise and company-wise?

**ANSWER**

THE MINISTER OF HUMAN RESOURCE DEVELOPMENT AND  
INFORMATION TECHNOLOGY

COMMUNICATIONS AND

(SHRI KAPIL SIBAL)

(a) to (c) A Statement is laid on the Table of the House.

STATEMENT TO BE LAID ON THE TABLE OF THE RAJYA SABHA IN RESPECT OF PARTS (a) TO (c) OF THE RAJYA SABHA STARRED QUESTION NO. 140 FOR 4TH MARCH, 2011 REGARDING "INVESTIGATIONS INTO 2G SPECTRUM ALLOCATION SCAM".

(a) Sir, the Report of Comptroller & Auditor General of India (CAG) on "Issue of Licences and Allocation of 2G Spectrum by the Department of Telecommunications" which was laid on the Table of the House on 16.11.2010, on the values determined through various indicators, has indicated a presumptive value of loss on account of grant of 122 new Unified Access Services (UAS) licences and 35 Dual Technology permissions in 2007-08 and allocation of 2G spectrum beyond contracted quantity of 6.2 MHz, in the range of Rs.57,666 crores to Rs. 176645 crores.

(b) & (c) CBI has registered 3 cases/preliminary enquiries viz

(i) RC 45 (A)/2009-ACB Delhi dated 21.10.2009 U/s 120-B IPC & Sec. 13(2) r/w 13(1)(d) of Prevention of Corruption Act, 1988,

(ii) PE.1/2011-ACB Delhi dated 04.01.2011 and

(iii) PE.2 (E)/2010-BS&FC Delhi dated 23.12.2010, against officials of Department of Telecommunications and private persons/companies pertaining to grant of UAS licenses causing wrongful loss to the Government. In RC.45 (A)/2009-ACB Delhi, first charge sheet will be filed before 31st March, 2011 keeping the investigation open under 173(8) Cr. PC. The enquiry in PE.1/2011-ACB Delhi is likely to be completed by 31st May 2011. In PE.2(E)/2010-BS&FC Delhi Prima facie findings have been arrived at and communicated to the Hon'ble Supreme Court. So far, Sh. A. Raja, then Minister of Communications & Information Technology (MOC&IT), Sh. Siddhartha Behura, the then Secretary (Telecom), Sh. R.K. Chandolia, PS to then MOC&IT and Sh. Shahid Usman Balwa, Director of M/s Swan Telecom Pvt. Ltd (now M/s Etisalat DB Telecom Pvt. Ltd.), have been arrested by CBI. Further, the records pertaining to the following 10 allottees of UAS Licences in the year 2008 have been collected by CBI for investigation:-

1. M/s Unitech Wireless Group concerns (8 companies).
2. M/s Sistema Shyam Teleservices.
3. M/s Datacom Solution Pvt. Ltd.
4. M/s Loop Telecom Pvt. Ltd.
5. M/s S. Tel Ltd.
6. M/s Etisalat DB Telecom Pvt. Ltd. (earlier known as M/s Swan Telecom Pvt. Ltd.).
7. M/s Allianz Infratech Pvt. Ltd.
8. M/s Tata Teleservices Ltd.
9. M/s Idea Cellular Ltd.

10. M/s Spice Telecommunication Ltd.

Further, the Directorate of Enforcement (ED) is investigating the matter under Prevention of Money Laundering Act (PMLA) and Foreign Exchange Management Act (FEMA) where the investigations are at an initial stage.