

**Foreign Exchange Rule violation in telecom companies**

2931. SHRI GOVINDRAO WAMANRAO ADIK: Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether it is a fact that there have been some reports about money laundering and foreign exchange rule violations in some telecom companies in the country; and

(b) if so, details of the findings of the rule violations by telecom companies and action proposed or proposed to be taken against such erring companies?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI GURUDAS KAMAT): (a) and (b) Government has received references alleging violations/contraventions of the provisions of Prevention of Money Laundering Act, 2002 (PMLA) and Foreign Exchange Management Act, 1999 (FEMA), by certain Telecom companies. These are at various stages of verification/investigation. Appropriate action, as warranted, is taken in all such matters.

**Special audit of Vodafone and Idea**

2932. SHRI JAI PRAKASH NARAYAN SINGH: Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether it is a fact that DoT had ordered special audit of Vodafone and Idea telecom companies a few months back and the audit has still not been completed;

(b) whether it is a fact that the auditors of both these companies have been requesting the DoT repeatedly to ask the companies to provide data as per the auditing requirements;

(c) the reasons for DoT taking a lenient attitude towards these companies;

(d) by when special audit report of these companies is going to be finalized; and

(e) the action being proposed by Government in case these companies fail to submit requisite vital information to the special auditors on time?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI GURUDAS KAMAT) : (a) DoT had ordered special audit of Idea and Vodafone and the same has been completed. The reports have been submitted on 17.03.2010 and 26.03.2010 respectively.

(b) and (c) During the audit, the auditors requested DoT once to ask the companies to provide date. DoT had appropriately addressed the companies.

(d) The reports for Idea and Vodafone have been submitted on 17.03.2010 and 26.03.2010 respectively.

(e) Does not arise in view of (d) above.

#### Allocation of Spectrum

2933. SHRI JAI PRAKASH NARAYAN SINGH: Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether it is a fact that there has been discrimination in allotment of spectrum to GSM operators initially;

(b) if so, the names of the GSM operators and the amount of initial spectrum allotted, both 4.4 MHz and 6.2 MHz, in each circle to the GSM operators; and

(c) the criteria for issuing different MHz spectrum to different operators?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI GURUDAS KAMAT): (a) to (c) No, Sir. The detailed list of GSM operators who were allotted initial spectrum of 4.4 MHz and 6.2 MHz is given in the Statement (*See below*). The Initial spectrum of 4.4 MHz / 6.2 MHz is allotted to the GSM operators as per the provisions of license conditions of their respective license agreements. The 3rd and 4th GSM operators had an option of seeking initial spectrum of either 4.4 MHz or 6.2 MHz. The initial spectrum of 4.4 MHz / 6.2 MHz was allotted to 3rd and 4th GSM operators as per their request but they have to pay spectrum usage charges of 1% more, i.e., 3% for allotment of initial spectrum of 6.2 MHz.

#### Statement

*Details of initial spectrum allotted to all the GSM operators (As on 31.01.2010)*

S.No.	Service Area	Operators	Date of allocation of spectrum	Allotment in 900MHz band in MHz	Allotment in 1800MHz band in MHz
1	2	3	4	5	6
1	Delhi	Bharti	31.05.1995	4.4	
		Vodafone	05.07.1995	4.4	