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CBI raids offices of Bharti Airtel, Vodafone

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NEW DELHI: India's federal investigating body raided the offices of the country's largest telecom companies by revenues, [Bharti Airtel](#) and Vodafone, on Saturday, as the agency widens its probe into the alleged irregularities and losses in the allocation of airwaves when BJP-led National Democratic Alliance was in power.

The Central Bureau of Investigation (CBI) searched Vodafone's offices in Delhi and Mumbai and the Bharti Airtel headquarters in Gurgaon after it filed a new case against these telcos and former bureaucrats. The CBI has alleged the exchequer suffered a loss of Rs 508 crore after the late BJP leader Pramod Mahajan's awarded additional airwaves to these companies in 2002.

This case is different from the multi-billion dollar 2G spectrum scam, where former telecom minister A Raja and 16 other accused including lawmaker Kanimozhi and top executives of three telecom companies are currently standing trial.

Raja and the officials are accused of conspiring with corporate groups to grant mobile licences and airwaves to select companies in 2008 that the CBI claims were ineligible. The Comptroller and Auditor General estimates Raja's decision cost the government a revenue loss of up to Rs 1.76 lakh crore.

Raid on Bureaucrats too

The Supreme Court that is monitoring the 2G spectrum scam had also ordered a preliminary investigation into all airwaves allocation between 2001 and 2007. The CBI on Saturday also searched the residences of Shyamal Ghosh, the telecom secretary during Mahajan's time and JR Gupta, then director at state-owned telecom company Bharat Sanchar Nigam Ltd during that period. They have been accused abusing their official positions as public servants and entering into a criminal conspiracy with the two telcos.

Ghosh declined comment. The public servants along with Mahajan took a hurried decision in January 2002 to allocate additional spectrum beyond 6.2 MHz in violation of the report of a technical committee, the CBI said in a statement. The agency said the accused decided to levy only an incremental 1% increase in the revenue share for all additional airwaves.

In normal prudence, the incremental 1% is for airwaves beyond 6.2 MHz, while an incremental 2% revenue share is charged for additional spectrum beyond 8 MHz, the CBI added. Mahajan was killed by his brother in 2006 during a family argument. The CBI said the former minister had been excluded from the list of the accused since 'he had expired'.

The investigating agency also said the "accused persons showed undue favour and caused undue cumulative advantage of approximately Rs 508.22 crore to beneficiary companies, since allocation of such additional spectrum was reversed by telecom department in 2008". [Vodafone](#) and Bharti said they had broken no laws.

"We would like to categorically state all the spectrum allotted to us from time to time has been strictly as per the stated government policy," the Bharti Airtel spokesperson said. "We are providing all details and correspondence to the authorities and shall provide complete support as needed in the matter," the company added in a statement.

"All our documents are in complete compliance with the governing laws and regulations. Vodafone India is completely co-operating with the officials and will provide them all the required details as part of their checks," Vodafone said.

BJP says 'Conspiracy'

The BJP came down heavily on the Congress-led UPA regime and said the CBI's move to file a first information report (FIR) for alleged irregularities that occurred nearly a decade ago was a 'political conspiracy' and a 'last-ditch attempt' to protect home minister P Chidambaram. The party said that the Cabinet cleared all decisions during the tenure of Mahajan, without favouring any particular company.

"This case has been filed to prevent a probe against the then finance minister P Chidambaram. We had submitted proof against him recently and the Prime Minister has himself accepted that the 2G allocations were made only after Chidambaram gave his nod. So both Raja and Chidambaram are equally guilty. This is a case of complicity and equal responsibility," BJP spokesperson and MP Prakash Javadekar said.

"The NDA cabinet took the right policy decision. This is the worst political abuse of CBI by the Congress," he added. The new case may also provide the Congress-led UPA, which has been rocked by a slew of corruption scandals, some ammunition to take on the BJP-led opposition, which has been attacking the government for over a year now, on the 2G-spectrum scam.

Bharti Airtel executives said that the Indian government had filed several affidavits in the Supreme Court, stating that the allocations in question today were as per prescribed policy guidelines.

Going by the same yardstick, it is surprising that several other operators, namely [Idea Cellular](#), [Loop Telecom](#), [Reliance Communications](#) (Orissa), BSNL, and [MTNL](#), which were allotted spectrum under the same criteria, have not been covered under the investigation, they added.

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