

CAG smells another scam during Maran's regime; DoT's decision benefitted Bharti Airtel, government lost huge amount

DoT had never examined or proposed the license extension issue. It did not discuss financial implication of the proposal, though it involved significant financial advantage to select telecom operators. It was never referred to the finance division of DoT. Bharti Airtel's Tamil Nadu license was due to expired on November 2014 but due to DoT decision license of Chennai was extend till 2021 and additional validity of 7 years was given to Bharti Airtel without any cost

Dayanidhi Maran is once again in the Comptroller and Auditor General (CAG's) line of fire. The CAG has now raised objections to the merger of Chennai metro and Tamil Nadu circles that took place during Maran's regime. The auditor has alleged that the decision to merge two circles was taken in hasty, discriminatory and abrupt manner that resulted in undue benefits to some telecom operators.

It may be noted that Maran's problems began when CAG quantified the total loss to exchequer due to 2G scam as 1.76 lakh crore.

In 2004, Maran had decided to merge these circles and asked license branch to review the policy. The proposal was to consider the merger of Mumbai metro with Maharashtra circle, Kolkata metro with West Bengal Circle; and UP (East) with UP (West) Circle.



However in 2005, the department of telecommunications (DoT) decided to merge only Chennai metro and Tamil Nadu Circles. Top four operators Bharti Airtel, Reliance Communication, Tata Tele and Bharat sanchar Nigam Ltd (BSNL) then merged these circles within the three year period of their license starting from 2005.

CAG, on the scrutiny of DoT records, has found that same treatment has not been given to the subscribers of Maharashtra, West Bengal and UP Subscribers. Further, CAG alleged DoT had extended the period of merged license without any authority.

CAG alleged that DoT had never examined or proposed the license extension issue. DoT never discussed financial implication of the proposal, though it involved significant financial advantage to select telecom operators. It was never referred to the finance division of DoT. It also alleged that Bharti Airtel's Tamil Nadu license was due to expired on November 2014 but due to DoT decision license of Chennai was extend till 2021 and additional validity of 7 years was given to Bharti Airtel without any cost.



DoT had also suffered a loss in spectrum usages charges due to difference of chareges in these circles. CAG further says that this decision of high importance was never taken to Telecom Commission. The order passed by Dayanidhi Maran without consultation of Telecom Commission was inappropriate and not in order. Legal advisor of DoT had also raised concern on not merging other service areas.

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