

**GOVERNMENT OF INDIA  
COMMUNICATIONS AND INFORMATION TECHNOLOGY  
LOK SABHA**

STARRED QUESTION NO:479

ANSWERED ON:11.08.2014

UNDER-REPORTING OF REVENUES BY TELECOM COMPANIES

Singh Prof. Sadhu

**Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:**

- (a) the details of profit earned and loss incurred by the State owned and private telecom companies during the last three years, company-wise;
- (b) whether it has come to the notice of the Government that some telecom companies especially private companies have fudged their accounts and/or are under-reporting their revenues in order to avoid payment of licence fee to the Government on account of revenue sharing in the recent past and if so, the details thereof;
- (c) whether notices to certain telecom companies have been sent in this regard during the last two years and if so, the details thereof along with their response; and
- (d) the corrective action taken/being taken by the Government in this regard?

**Answer**

THE MINISTER OF COMMUNICATIONS AND INFORMATION TECHNOLOGY & LAW AND JUSTICE (SHRI RAVI SHANKAR PRASAD)

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

STATEMENT TO BE LAID ON THE TABLE OF THE LOK SABHA IN RESPECT OF PARTS

(a) TO (d) OF LOK SABHA STARRED QUESTION NO. 479 FOR 11TH AUGUST, 2014 REGARDING "UNDER-REPORTING OF REVENUES BY TELECOM COMPANIES"

(a) The details of profit and loss incurred by state owned and private companies is enclosed as Annexure - I.

(b) Yes, Madam, during scrutiny of the documents submitted by licensees Department of Telecom has noticed that the records submitted by some private telecom companies give indication of under reporting of revenues. Details of these companies is enclosed as Annexure -II.

(c) Yes, Madam, Show cause notices were issued to all these companies (Annexure- II). Each one of them has refuted the charge and claimed that their Revenue details have been worked out keeping in view various court judgments and hence are in order. They have also represented for opportunity for hearing before passing of speaking order.

(d) Representations from the companies are being examined by the department before taking a final decision. Under license conditions department can order:

(a) Audit of the company under clause 22.5

(b) Special Audit of the Auditor report under clause 22.6

(c) Proceed for termination of license in case of breach of license condition.