

# CAG raps TRAI over perks

**By Vinay Pandey  
Business Times Bureau**

**NEW DELHI:** An audit report from the Comptroller and Auditor General of India (CAG) has said that the chairperson and members of the Telecom Regulatory Authority of India (TRAI) have extended to themselves excessive allowances and benefits in "utter disregard" of the provisions under the TRAI Act. The perks that TRAI functionaries have given themselves, with no powers to do so, are not only in excess of the benefits admissible to government functionaries of equal status, but also exceed the perks of the members of the International Civil Service of the United Nations, the highest paid service in the world, the audit report points out.

The *per diem* halting allowance of \$500 per day TRAI functionaries have fixed for their foreign tours, is in many cases two to three times the daily subsistence allowance (DSA) available to the seniormost members of the International Civil Service, the report says. The uniform rate of *per diem* allowance fixed by TRAI for all countries definitely makes the allowance a source of profit for functionaries on foreign tour, the report says, pointing out that this is

against the norm that daily allowance will be so fixed that it does not become a source of profit. It also says that the chairperson and vice-chairperson of TRAI made travelling allowance (TA) claims for journeys they had performed before taking charge on March 25, 1997. The report points out that the Central government is the sole authority under the TRAI Act empowered to make rules and regulations relating to the salary and allowances and other conditions of service of TRAI functionaries. The chairperson and members of TRAI have no powers under the Act to issue such orders pending finalisation of their conditions of service by the Central government, it observes.

The Central government issued a notification on December 1, 1997 prescribing the rates of pay and dearness allowances admissible to chairperson and members of TRAI. The rules relating to other conditions of service, such as TA, medical benefits and housing facility are yet to be notified by the government. And yet, TRAI issued a number of ad hoc orders fixing the rates and entitlement of various allowances and benefits for its chairperson and members. "These ad hoc orders sought to

provide the best possible package of benefits to the chairperson and members and give an unmistakable impression of TRAI being a very expensive regulator."

These and a host of other "irregularities" highlighted in the audit report, come close on the heels of the allegation by MPs in Parliament during the heated debate on the TRAI tariff order last week that TRAI functionaries travelled all over the world to study the tariff structures in various countries but did not care to visit rural areas in the country. Calling for an inquiry into the matter, CPM member Nilotpal Basu said in the Lok Sabha: "They cannot interact with our poor consumers and poor subscribers, but in these days of Internet they can find time to go abroad and study the situation there." When contacted on the phone for his comments, TRAI chairperson Justice S.S. Sodhi said: "Call me in my office tomorrow." When asked if TRAI has sent its replies to the government or CAG, he hung up.

A Union government notification dated December 1, 1997 put the TRAI chairperson in the same pay scale as the cabinet secretary and TRAI members have been put in the same pay scale as a secretary to the government of India.