

Indian Court Throws Out Sistema Appeal

By [The Moscow Times](#)

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NEW DELHI — India's Supreme Court on Wednesday rejected appeals to overturn an order canceling telecoms licenses awarded in 2008, dealing a blow to the companies affected.

Mobile operators including Telenor and Sistema's Indian joint ventures and Indian companies Idea Cellular and Tata Teleservices had filed separate pleas seeking a review of the court's decision.

Those companies are set to lose some or all of their licenses.

The court in February had ordered cancellation of 122 telecoms licenses held by eight operators because of alleged irregularities in the way they were awarded in 2008. A state auditor estimated that New Delhi may have lost as much as \$34 billion as the permits were given out at "unbelievably low" prices.

The Indian unit of Russia's Sistema, which will lose all but one of its permits, said it was considering future legal actions.

Norway's Telenor, whose Indian joint venture will lose all its 22 permits, said it was "disappointed" by the dismissal of its review plea.

"We will now move a curative petition," it said in a statement.

Indian laws allow a "curative" petition or further appeal even after a review plea is dismissed. This is heard by three top Supreme Court judges.

Telenor and Sistema have separately asked the Indian government to resolve the license disputes, citing bilateral pacts. Telenor has said it would seek compensation from New Delhi if the dispute is not resolved, while Sistema has said it reserved its rights to go for international arbitration.

Indian police have charged a total of 19 people and six companies in the alleged scam, including former Telecoms Minister Andimuthu Raja, who presided over the 2008 licensing process, and several high-ranking corporate executives. All accused in the case have denied any wrongdoing, and their trial is ongoing.

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