

## PREFACE

This Report for the year ended March 2004 has been prepared for submission to the President of India under Article 151(1) of the Constitution. It features the results of audit of the public sector undertakings of the telecom sector. The Companies covered are Bharat Sanchar Nigam Limited, Mahanagar Telephone Nigam Limited, ITI Limited, Telecommunications Consultants India Limited, Intelligent Communication Systems India Limited and Millennium Telecom Limited which are under the Department of Telecommunications (Ministry of Communications and Information Technology).

The Report contains 62 paragraphs divided into 13 chapters.

*Chapters I to IV* pertaining to Bharat Sanchar Nigam Limited contain

- 49 paragraphs;
- one IT Audit review on Dotsoft Package

*Chapters V to VII* pertaining to Mahanagar Telephone Nigam Limited (MTNL) contain

- four paragraphs;
- one performance review on Planning, Procurement and Utilisation of Wireless-in-Local Loop (WLL) System

*Chapters VIII and IX* pertaining to ITI Limited contain four paragraphs

*Chapter X* contains a paragraph on the organisational setup and financial management of Telecommunications Consultants India Limited

*Chapter XI* contains a paragraph on the organisational setup and financial management of Intelligent Communication Systems India Limited.

*Chapter XII* contains a paragraph on the organisational setup and financial management of Millennium Telecom Limited.

*Chapter XIII* contains a paragraph on follow up on Audit Reports

71 Draft Audit Paragraphs (DAPs) and three draft performance reviews were forwarded to the Secretary, Department of Telecommunications (DoT) for furnishing their replies. Replies to three reviews and 65 paragraphs pertaining to Bharat Sanchar Nigam Limited, Mahanagar Telephone Nigam Limited, ITI Limited, Telecommunications Consultants India Limited, Intelligent Communication Systems India Limited and Millennium Telecom Limited were not received from the Ministry.

The cases mentioned in the Report are among those which came to notice in the course of audit conducted during the year 2003-04 and the early part of 2004-05. This Report also includes cases noticed during earlier years, wherever relevant.