

PREFACE

A reference is invited to the prefatory remarks in Report No. 10 of 2006 of the Comptroller and Auditor General of India where a mention has been made that observations on individual topics of interest noticed in course of Audit of the Companies under the Telecommunication Sector are presented in Report No. 13.

Report No. 13 for the year ending March 2005 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 61 paragraphs divided into 12 chapters.

Chapters I to IV pertaining to Bharat Sanchar Nigam Limited contain

- 43 paragraphs;
- one IT Audit review on Chennai Telephone Billing System of Bharat Sanchar Nigam Limited

Chapters V to VI pertaining to Mahanagar Telephone Nigam Limited (MTNL) contained eight paragraphs;

Chapters VII and VIII pertaining to ITI Limited contain five paragraphs

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

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

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

Chapter XII contains a paragraph on follow up on Audit Reports

Seventy one Draft Audit Paragraphs (DAPs) and one Information Technology (IT) Audit Report were forwarded to the Secretary, Department of Telecommunications (DoT) for furnishing replies. Replies to none of the above were 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 2004-05 and the early part of 2005-06. This Report also includes cases noticed during earlier years, wherever relevant.