

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

UNSTARRED QUESTION NO:4836

ANSWERED ON:26.04.2010

AUDIT OF TELECOM COMPANIES

Basavaraj Shri Gangasandra Siddappa; Dhruvanarayana Shri R. ; Karunakaran Shri P.; Nirupam Shri Sanjay Brijkishorilal ; Ray Shri Rudramadhab ; Singh Shri Sushil Kumar; Singh Shri Uday Pratap; Siricilla Shri Rajaiah

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

(a) whether the Telecom Regulatory Authority of India (TRAI) has recommended auditing of various telecom companies by the Comptroller and Auditor General of India (C&AG) during the last three years;

(b) if so, the details thereof, company-wise and the reasons therefor;

(c) whether some of the existing operators who have been in operation before 2006 have been left out of the purview of special audit as well as the proposed C&AG audit;

(d) if so, the reasons therefor and the time by which this audit is likely to be completed; and

(e) the extent to which the subscribers of the telecom operators are likely to be benefitted by such audits?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI GURUDAS KAMAT)

(a) & (b) TRAI has not recommended any audit of the Telecom Companies by C&AG. However, C&AG has conveyed that it intends to take up the audit of the accounts of Bharti Airtel, Reliance, Tata, Vodafone and BSNL in the current year.

(c) & (d) Special audit for five major telecom operators namely Reliance Communication, Bharti Airtel, Vodafone, Idea and Tata, was ordered by the Department vide clause 22 of the Unified Access Service (UAS) License Agreement. The said clause is to be invoked in cases where, in the opinion of the Government, the prescribed statements or accounts submitted by the operator are inaccurate or misleading.

As conveyed by C&AG, it intends to audit the books of accounts of all private telecom service providers on regular basis. In the current year, the audit of the accounts of Bharti Airtel, Reliance, Tata, Vodafone and BSNL has been taken up.

(e) Audit was instituted with the specific aim of ensuring that the Government gets its due share of revenue in the form of License Fee and Spectrum charges in accordance with the terms and conditions of the license agreement.