

**BHARAT SANCHAR NIGAM LIMITED**

Audit Report under CARO (Clause 4(ix)(b) for the financial year 2006-07

Statutory dues not deposited on account of dispute as on 31.3.2007

SL. NO.	LOCATION	NAME OF STATUTE	NATURE OF DUES	AMOUNT IN Rs.	PERIOD TO WHICH THE AMOUNT RELATE
1	JHARKHAND-RANCHI	FINANCE ACT , 1994	SERVICE TAX	146317877	Nov 2000 to Aug 2003
	JHARKHAND-RANCHI	FINANCE ACT , 1994	PENALTY	146317877	Nov 2000 to Aug 2003
	JHARKHAND-RANCHI	FINANCE ACT , 1994	SERVICE TAX	16312777	2004-05
	JHARKHAND-RANCHI	FINANCE ACT , 1994	PENALTY	16312777	2004-05
	JHARKHAND-RANCHI	FINANCE ACT , 1994	SERVICE TAX	1963069	2005-06
	JHARKHAND-DHANBAD	FINANCE ACT , 1994	SERVICE TAX	127598433	April 2000 to sept 2003
	JHARKHAND-DHANBAD	FINANCE ACT , 1994	PENALTY	127578433	April 2000 to sept 2003
	JHARKHAND-DUMKA	FINANCE ACT , 1994	SERVICE TAX	63086164	April 1999 to 2003
	JHARKHAND-DUMKA	FINANCE ACT , 1994	PENALTY	45650723	April 1999 to 2003
	JHARKHAND-DALTONGANJ	FINANCE ACT , 1994	SERVICE TAX	25766000	2005
	JHARKHAND-JAMSHEDPUR	FINANCE ACT , 1994	INTEREST ON SERVICE TAX	7638595	2003
2	Telecom factory-Mumbai	BOMBAY SALES TAX	TAX	2702000	1989-90
			INTEREST	973000	1989-90
			PENALTY	3137000	1989-90
		CENTRAL SALES TAX	TAX	17000	1989-90
			PENALTY	46000	1989-90
		BOMBAY SALES TAX	TAX	21442000	1990-91
			INTEREST	77094000	1990-91
			PENALTY	200000	1990-91
		BOMBAY SALES TAX	TAX	17678000	1991-92
			INTEREST	60131000	1991-92
			PENALTY	200000	1991-92
		BOMBAY SALES TAX	TAX	22659000	
			INTEREST	62086000	
			PENALTY	20000	1992-93
		BOMBAY SALES TAX	TAX	9256000	
			INTEREST	4262000	
			PENALTY	18680000	1993-94
		BOMBAY SALES TAX	TAX	10180000	
			INTEREST	23356000	
			PENALTY	22000	1994-95
		BOMBAY SALES TAX	TAX	5425000	
			INTEREST	12326000	
			PENALTY	10000	1995-96

SL. NO.	LOCATION	NAME OF STATUTE	NATURE OF DUES	AMOUNT IN Rs.	PERIOD TO WHICH THE AMOUNT RELATE
		CENTRAL SALES TAX	TAX	3251000	1996-97
			INTEREST	5302000	
			PENALTY	327000	
		CENTRAL SALES TAX	TAX	2858000	1997-98
			INTEREST	3990000	
			PENALTY	287000	
		CENTRAL SALES TAX	TAX	5136000	1998-99
			INTEREST	5768000	
			PENALTY	516000	
		BOMBAY SALES TAX	TAX	663000	1999-00
			INTEREST	8000	
			PENALTY	17000	
		BOMBAY SALES TAX	TAX	604000	2000-01
			INTEREST	225000	
			PENALTY	3000	
3	NORTH EASTERN REGION-1	FINANCE ACT , 1994	SERVICE TAX PENALTY	3869000	2004-05 to 2006-07
4	TELECOM STORES KOLKATTA	MUMBAI SALES TAX ACT, 1959	SALES TAX	206468000	1989-90 TO 1998-99
		CENTRAL SALES TAX ACT, 1956	SALES TAX	315000	1989-90 TO 1993-94
		CENTRAL EXCISE ACT, 1944	EXCISE DUTY	1897000	1995-96 TO 2000-01
		KOLKATA PORT TRUST	COMPENSATION	4701000	2001 ONWARDS
		KOLKATA MUNICIPAL CORPORATION	MUNICIPAL CHARGES	10800000	2001 ONWARDS
5	CALCUTTA PHONES	FINANCE ACT , 1994	SERVICE TAX	310300000	JULY 1994-SEPT' 1998
6	GUJRAT-GMTD, RAJKOT	FINANCE ACT , 1994	INTEREST AND PENALTY	113700000	NO INFORMATION
	GUJRAT- CGMT,AHMEDABAD	FINANCE ACT , 1994	INTEREST AND PENALTY	152695000	NO INFORMATION
	GUJRAT- GMTD,JAMNAGAR	FINANCE ACT , 1994	INTEREST AND PENALTY	12987000	NO INFORMATION
	GUJRAT- PGMTD,AHMEDABAD	FINANCE ACT , 1994	INTEREST AND PENALTY	25689000	NO INFORMATION
	GUJRAT- GODHRA	FINANCE ACT , 1994	INTEREST AND PENALTY	753000	NO INFORMATION
7	MP CIRCLE	MP COMMERCIAL TAX ACT	SALE TAX	24515985	2003-04
		ENTRY TAX ACT	ENTRY TAX	7849333	2000-01
		ENTRY TAX ACT	ENTRY TAX	14689547	2001-02
		ENTRY TAX ACT	ENTRY TAX	3817106	2003-04
		FINANCE ACT , 1994	SERVICE TAX	1786432	2005-06
		FINANCE ACT , 1994	SERVICE TAX	3976227	2004-05
		PROVIDENT FUND ACT	EPF	4916040	2003-04, 2004-05
		PROPERTY TAX	PROPERTY TAX	56814	2000-01 TO 2005-06
8	KARNATAKA-SHIMOGA	FINANCE ACT , 1994	SERVICE TAX	3567000	1994-2002
	KARNATAKA-CHICKAMAGALUR	FINANCE ACT , 1994	SERVICE TAX	832392	2005-06

SL. NO.	LOCATION	NAME OF STATUTE	NATURE OF DUES	AMOUNT IN Rs.	PERIOD TO WHICH THE AMOUNT RELATE
	KARNATAK-BIJAPUR	FINANCE ACT , 1994	SERVICE TAX	29125652	2002-03
	KARNATAK-BIJAPUR	FINANCE ACT , 1994	SERVICE TAX	2091634	2003-04
	KARNATAK-MADIKERI	FINANCE ACT , 1994	SERVICE TAX	1252679	1998-2003
	KARNATAKA-DAVANGERE	FINANCE ACT , 1994	PENALTY	186000	2002-03
	KARNATAK-HUBLI	FINANCE ACT , 1994	EXCISE DUTY	341697	2004-05
	KARNATAK-RAICHUR	FINANCE ACT , 1994	SERVICE TAX	3362732	2004-05
	KARNATAK-BANGALORE	FINANCE ACT , 1994	INTEREST ON SERVICE TAX	4347164	1998-99
	WESTERN TELECOM PROJECT	MP SALES TAX ACT , 1994	SALES TAX AND ENTRY TAX	22821794	NO INFORMATION
9	CHENNAI PHONES	FINANCE ACT , 1994	SERVICE TAX	1882000	2004-05
	* CHENNAI PHONES	CENTRAL SALES TAX	SALES TAX	554975273	NO INFORMATION
10	UP-EAST	UP TRADE TAX	TRADE TAX	1065900000	1987- DEC'2005
11	MAHARASTRA-AURANGABAD	CENTRAL EXCISE ACT, 1944	INTEREST	2217818	2005-06
	MAHARASTRA-PANJIM	FINANCE ACT , 1994	SERVICE TAX	5418769	2000-01
	MAHARASTRA-NAGPUR	INCOME TAX ACT	TDS AND INTEREST ON PERQUISITES	240797	2001-02
	MAHARASTRA-NAGPUR	INCOME TAX ACT	TDS AND INTEREST ON PERQUISITES	1106693	2002-03
	MAHARASTRA-NAGPUR	INCOME TAX ACT	TDS AND INTEREST ON PERQUISITES	828416	2003-04
	MAHARASTRA-NAGPUR	INCOME TAX ACT	TDS AND INTEREST ON PERQUISITES	883910	2004-05
	MAHARASTRA-NAGPUR	INCOME TAX ACT	TDS AND INTEREST ON PERQUISITES	1008839	2006-07
	MAHARASTRA-KOLHAPUR	FINANCE ACT , 1994	SERVICE TAX	21946018	1998-99 TO 2001
	MAHARASTRA-KOLHAPUR	FINANCE ACT , 1994	INTEREST	82399674	2001-02
	MAHARASTRA-KOLHAPUR	FINANCE ACT , 1994	INTEREST	61289	2002-03
	MAHARASTRA-KOLHAPUR	FINANCE ACT , 1994	INTEREST	796557	1998-99
	MAHARASTRA-SANGLI	FINANCE ACT , 1994	SERVICE TAX	10668310	2005-06
	MAHARASTRA-RATANAGIRI	FINANCE ACT , 1994	INTEREST	3837281	2002
	MAHARASTRA-CHANDRAPUR	CENTRAL EXCISE ACT, 1944	INTEREST	178153	2005
	MAHARASTRA-OSMANABAD	FINANCE ACT , 1994	INTEREST	154547	2005-06
	MAHARASTRA-OSMANABAD	FINANCE ACT , 1994	PENALTY	10000	2005-06
12	ORISSA	CENTRAL EXCISE ACT, 1944	INTEREST( service tax)	273376	2005-06
	ORISSA	CENTRAL EXCISE ACT, 1944	SERVICE TAX	11412210	2006-07
	ORISSA	SALES TAX ACT	SALES TAX	72679206	2006-07
13	UTTRANCHAL	SERVICE TAX RULES	SERVICE TAX	200000	NO INFORMATION
	UTTRANCHAL	SERVICE TAX RULES	SERVICE TAX	87000	NO INFORMATION
	UTTRANCHAL	SERVICE TAX RULES	SERVICE TAX	145000	NO INFORMATION
	UTTRANCHAL	SERVICE TAX RULES	SERVICE TAX	1800000	NO INFORMATION
	* UTTRANCHAL	CENTRAL SALES TAX	SALES TAX	3990000	NO INFORMATION
14	NORTHERN TELECOM PROJECT	CENTRAL SALES TAX	SALES TAX	2242500	NO INFORMATION
	NORTHERN TELECOM PROJECT	DELHI SALES TAX	SALES TAX	45000	NO INFORMATION
15	TELECOM FACTORY- KOLKATTA	CENTRAL EXCISE ACT, 1944	EXCISE DUTY	5357000	UPTO 30.06.02

SL. NO.	LOCATION	NAME OF STATUTE	NATURE OF DUES	AMOUNT IN Rs.	PERIOD TO WHICH THE AMOUNT RELATE
		CENTRAL EXCISE ACT, 1944	EXCISE DUTY	1825000	UPTO 30.06.02
16		CENTRAL EXCISE ACT, 1944	EXCISE DUTY	104826000	1993-94, 1994-95 , 1996-97, 1998-99 TO 2000-01
	TELECOM FACTORY- JABALPUR	MP COMMERCIAL TAX ACT	COMMERCIAL TAX	2417000	1995-96, 1996-97
		MP COMMERCIAL TAX ACT	COMMERCIAL TAX	105000	2001-02
		CHHATISHGARH COMMERCIAL TAX ACT, 1994	COMMERCIAL TAX	20000	1997-98
		MP COMMERCIAL TAX ACT	ENTRY TAX	2478000	1981-82 TO 1984-1985
17	WEST BENGAL	LOCAL SALES TAX ACT	SALES TAX	86700000	2003-04
	WEST BENGAL	LOCAL SALES TAX ACT	SALES TAX	27300000	1999-00
	WEST BENGAL	LOCAL SALES TAX ACT	SALES TAX	125000000	2002-03
18	CHHATTISGARH- RAIPUR GMTD	FINANCE ACT , 1994	SERVICE TAX	62400000	NO INFORMATION
19	NE-II	FINANCE ACT , 1994	SERVICE TAX AND INTEREST	4394000	APR,02- SEP,04
20	JAMMU AND KASHMIR	J&K GENERAL SALES TAX ACT, 1962	SALES TAX	54604564	2002-03
21	CORPORATE OFFICE	INCOME TAX ACT	INCOME TAX	1450100000	2001-02
		INCOME TAX ACT	INCOME TAX	8189900000	2001-02
		INCOME TAX ACT	INCOME TAX	275700000	2002-03
		INCOME TAX ACT	INCOME TAX	19794400000	2003-04
		INCOME TAX ACT	INCOME TAX	3110700000	2004-05
			<b>GRAND TOTAL</b>	<b>37,224,725,153</b>	

\* SUPREME COURT HAS DECIDED IN FAVOUR OF BSNL. EFFECT OF SUPREME COURT DECISION IS YET TO BE GIVEN.

**BHARAT SANCHAR NIGAM LIMITED****Appendix - II****Audit Report under CARO 2003****Instances of fraud on or against the company during the Financial Year 2006-07**

SL NO.	DESCRIPTION	AMOUNT IN LACS(RS)	PROVISION	RECOVERY	UNRECOVERED/ UNPROVIDED AMOUNT
1	BOGUS BILL FOR WORKS CONTRACT	1,342,099	0	775,000	567,099
2	CALLS BY UNTRACEABLE SUBSCRIBER	4,000,000	4,000,000	0	0
3	MISAPPROPRIATION OF REVENUE COLLECTIONS	546,000	0	546,000	0
4	FAKE NOTES	99,665	0	0	99,665
5	THEFT OF INVENTORY/STORES	12,536,261	12,456,261	80,000	0
6	THEFT OF FIXED ASSETS	44,983,782	44,697,471	286,311	0
	<b>TOTAL</b>	<b>63,507,807</b>	<b>61,153,732</b>	<b>1,687,311</b>	<b>666,764</b>