

**Telecom Regulatory Authority of India, Service Providers
(Maintenance of Books of Accounts and other Documents) Rules,
2002**

Notification.- G.S.R 782(E)- In exercise of powers conferred under sub-section (1) read with clause (d) of sub-section (2) of section 35 of the Telecom Regulatory Authority of India Act, 1997 (24 of 1997), the Central Government hereby makes the following rules for the maintenance of books of account or other documents by the service provider, namely:-

New Delhi, the 27th November 2002.

1. Short title and commencement.- (1) These rules may be called the Telecom Regulatory Authority of India, Service Providers (Maintenance of Books of Accounts and other Documents) Rules, 2002.

(2) They shall come into force on the date of their publication in the Official Gazette.

2. Definitions.- In these rules, unless the context otherwise requires-

(a) "Act" means the Telecom Regulatory Authority of India Act, 1997 (24 of 1997);

(b) "Authority" means the Telecom Regulatory Authority of India established under sub-section (1) of section (3) of the Act;

(c) "service provider" has the meaning assigned to in clause (j) of section 2 of the Act; and

(d) words and expressions used and not defined in these rules but defined in the Act shall have the meanings respectively assigned to them in the Act.

3. Maintenance of Books of Accounts and other Documents.- (1) Every service provider shall keep and maintain the following books of accounts and other documents in the manner as specified by the Central Government from time to time, namely:-

(i) books of accounts to reflect the itemized original and current cost service-wise of fixed assets and separate heads for different category of assets may be maintained;

(ii) books of accounts and other documents to reflect service-wise itemized operational expenses;

(iii) books of accounts to reflect service-wise revenue;

- (iv) books of accounts to reflect income from other sources.
- (v) supporting books of accounts and other documents as-
 - (a) fixed assets register;
 - (b) stores and spares register;
 - (c) register showing particulars, service-wise, of subscribers;
 - (d) register showing deposits from customers;
 - (e) cash book;
 - (f) journal;
 - (g) ledger; and
 - (h) copies of bills and copies of counter foils of all receipts.

Explanation- For the purposes of this rule-

- (a) "itemized" means the requirement for both the total cost and also its break-up;
 - (b) "current cost", means cost after depreciation; and
 - (c) "fixed assets" includes sub-heads such as building, plant and machinery, etc.
- (2) Every service provider shall intimate to the Authority the place where the books of accounts and other documents are maintained.

4. Special instructions for maintenance of books of accounts and other documents.- (1) Where the service provider is providing same service in more than one telecom circle, the books of accounts and other documents referred to in sub rule (1) of rule 3 shall be maintained separately in respect of each licensed service area.
- (2) The books of accounts and other documents referred to in sub rule (1) of rule 3 shall be maintained for a period of four years from the last day of the financial year to which they pertain.
- (3) The final accounts shall be maintained at the head office of the service provider.
- (4) The field offices shall maintain accounts relating to their area of operation which shall be incorporated in the final accounts maintained at the head office, that is to say that the final accounts at the head office shall be inclusive of all the accounts maintained in the field offices.
- (5) The requirement of maintaining copies of bills and receipts shall not apply where the sum in question does not exceed rupees two hundred.

5. Audit.- Every service provider shall produce all such books of accounts and documents, referred to in sub-rule (1) of rule 3, that has a bearing on the verification of the Revenue, to the Authority –
- (i) for the purpose of calculating license fee, and
 - (ii) to furnish to the Comptroller and Auditor General of India the statement or information, relating thereto, which the Comptroller and Auditor General of India may require to be produced before him and the Comptroller and Auditor General of India may audit the same in accordance with the

provisions of section 16 of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 (56 of 1971).