

**TELECOM REGULATORY AUTHORITY OF INDIA**  
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**TRAI makes Reporting on Accounting Separation mandatory**

The Telecom Regulatory Authority of India (TRAI) has issued today a Regulation on 'The Reporting System on Accounting Separation Regulations' to call for audited reports on Separated Accounts. Service providers will now be required to submit accounting statements separately for every service and product/ network service for each of the licensed areas.

**1. Applicability**

The Reporting on separated accounts is applicable to all licensed telecom service providers, providing any of the following services:

- Basic Telephone Service
- National Long Distance Service
- International Long Distance Service
- Cellular Mobile Telephone Service
- Internet Service
- Very Small Aperture Terminal Service (VSAT)
- Radio Paging Service
- Public Mobile Radio Trunk Service
- Global Mobile Personal Communication Service

**2. Salient Features:**

- A) The accounting separation reports would help TRAI to monitor and measure financial performance of individual telecom products/network services and information about disaggregated costs to the level of network elements.
- B) It would also help in identification of cross-subsidization practices in the industry, wherever these exist and investigate the cases of predatory pricing, anti competitive conducts.
- C) The reporting system would help generate accurate information on costs, which is necessary to decide interconnection usage charges (IUC) and access deficit charges (ADC).
- D) This Regulation will facilitate the availability of more detailed and disaggregated information on revenues and costs on regular basis from various service providers.
- E) This Regulation will be equally applicable to integrated players / companies holding Unified Access Services License (UASL).

Detailed information on the Regulation is available at the TRAI website ([www.trai.gov.in](http://www.trai.gov.in))

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