



Telecom Regulatory Authority of India



**Invitation of
Expression of Interest
for
Empanelment of Auditors to Carry out Audit of Digital Addressable
Systems**

9 November 2023

**Telecom Regulatory Authority of India
Mahanagar Doorsanchar Bhavan, Jawahar Lal Nehru Marg (Old Minto
Road), New Delhi – 110 002**

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SECTION-I

Notice Inviting Proposals for Empanelment of Auditors to carry out Audit of Digital Addressable Systems

Telecom Regulatory Authority of India (hereinafter referred to as “TRAI” or the “Authority”), Mahanagar Doorsanchar Bhavan, Jawahar Lal Nehru Marg (Old Minto Road), New Delhi – 110002, invites proposals from eligible companies/Limited Liability Partnerships (LLP)/Partnership firms/proprietorship firms registered with the Institute of Chartered Accountants of India (ICAI) as audit firm (hereinafter referred to as the “Audit Agency” or “Applicant”) for empanelment in the panel of Auditors to carry out audit of Digital Addressable Systems in accordance with the regulatory framework for digital addressable systems comprising of the Telecommunication (Broadcasting and Cable) Service Interconnection (Addressable Systems) Regulations, 2017 (hereinafter referred to as “**Interconnection Regulations, 2017**”), the Telecommunication (Broadcasting and Cable) Services Standards of Quality of Service and Consumer Protection (Addressable Systems) Regulations, 2017 (hereinafter referred to as “**QoS Regulations, 2017**”) and the Telecommunication (Broadcasting and Cable) Services (Eighth) (Addressable Systems) Tariff Order, 2017 (hereinafter referred to as “**Tariff Order, 2017**”) dated the 03rd March, 2017, including all subsequent amendments made thereto.

2. The empanelment shall be on one of the following basis:-

(a) **All-India covering all states, union territories and zones**

(b) **Zones (covering areas as defined below):-**

- (i) **North Zone** (comprising Delhi (including Areas served by Delhi, Ghaziabad, Noida, Faridabad and Gurgaon), Himachal Pradesh, Jammu & Kashmir and Ladakh)
- (ii) **Central Zone** (comprising Madhya Pradesh, Chhattisgarh, Uttar Pradesh (excluding the Ghaziabad and Noida) and Uttarakhand)
- (iii) **West Zone** (comprising Haryana (except the local areas served by Faridabad and Gurgaon Telephone Exchange), Punjab, Rajasthan, Gujarat, Chandigarh, Daman & Diu, Dadra & Nagar Haveli, Lakshadweep)
- (iv) **East Zone** (comprising West Bengal, Kolkata, Bihar, Jharkhand, North-East (Arunachal Pradesh, Meghalaya, Mizoram, Nagaland, Manipur, Tripura), Assam, Sikkim, Andaman & Nicobar Islands)
- (v) **South Zone** (comprising Andhra Pradesh, Telengana, Tamilnadu, Chennai, Odisha and Puducherry)
- (vi) **South-West Zone** (comprising Karnataka, Kerala, Lakshadweep, Maharashtra, Goa, Mumbai)

(c) **Special Areas (State/Union Territory) :-**

- (i) **NER or North-Eastern Region** (comprising the States of Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim and Tripura),

Note: An applicant is free to operate in one or more State(s) in a Special area.

- (ii) **J&K** (comprising the Union Territory of Jammu and Kashmir)
- (iii) **Ladakh** (comprising the Union Territory of Ladakh)
- (iv) **A&N** (comprising the Union Territory of Andaman and Nicobar Islands)
- (v) **Lakshadweep** (comprising the Union Territory of Lakshadweep Islands)

3. The Auditors empaneled for one Zone or Special Area (State/ Union Territory) will not be eligible to audit a DPO who has any operations or headend outside the said Zone or Special Area.

4. The Audit Agency shall meet the following eligibility conditions for empanelment in the panel of Auditors:-

- (a) It shall be a company registered under the Companies Act, 2013, OR an LLP registered under the Limited Liability Partnership Act, 2008, OR a Partnership Firm registered under the Partnership Act, 1932, OR a proprietorship firm registered with ICAI as an audit firm.
- (b) It shall have, in the immediate two preceding financial years, a minimum average annual turnover of:-
 - (i) Rupees Fifty Lakhs only (Rs. 50,00,000/-), for All-India empanelment or for empanelment in more than one Zones;
 - (ii) Rupees Twenty Five Lakhs only (Rs. 25,00,000/-), for Zonal level empanelment; and
 - (iii) Rupees Five Lakhs only (Rs. 5,00,000/-), for Local level empanelment.
- (c) It shall have a minimum experience of one year, either on its own or through any of its partners/employees, in:-
 - (i) audit of Digital Addressable System (DAS) [Subscriber Management System (SMS)/ Conditional Access System (CAS)] (technical and/or subscription) of distributors; or
 - (ii) audit of billing and metering and/or payment and prepaid charging system involving the use of software tools and/or Banking IT system; or
 - (iii) for Local level empanelment, Technical Audit in BFSI (Banking Finance Service & Insurance)/Telecom Sector.

Note: Experience of statutory/internal(financial)/internal audit/concurrent audit/risk based internal audit/Revenue audit/ Management audit/Information system audit/IFC Audit/Accounting taxation & GST Consultancy/stock audit/review of book of accounts/audit of consumer accounts/ special audit of accounts/ audit of SMS of various distributor mapped in software/ review of billing and metering/ review of payment and prepaid charging system involving the use of software tools/IT Audit of NBFC/migration audit and similar audits will not considered as relevant experience required as per EoI. However, 'Revenue assurance audit' and 'Audit related to Business analytics using IT systems' may be considered as relevant experience required as per EoI

- (d) It shall have at least three full time professionals from among Chartered Accountant (CA)/Company Secretary (CS)/Cost Accountant (CoA)/Graduate Engineer, and at least

one of the three professionals should be a Chartered Accountant (CA)/Company Secretary (CS)/Cost Accountant (CoA). Such professionals should be full time partners or employees working with the Audit Agency since at-least six (6) months prior to the date of application;

- (e) The Applicant or any of its professionals shall not have been disqualified or blacklisted by any department of any State Government/Central Government or any Bank or Financial Institution or any statutory body or any professional body. Further, the Applicant or any of its professionals should not have been held guilty of criminal misconduct at any point of time;
 - (f) The Applicant should be well-versed with the broadcasting and distribution industry and shall be proficient in understanding the network head-end setup, customer and system lifecycle knowledge and integration of customer details in SMS and CAS;
 - (g) The Applicant should be independent of broadcasting service providers and should not have any direct or indirect involvement or interest in the design, construction, operation, or maintenance of software such as CAS/SMS/Middleware/Electronic Programme Guide (EPG) or hardware/electronic devices used in digital addressable systems of a service provider. Further, neither any director/partner/key managerial personnel of the Applicant nor any of its audit personnel should have held in the last one year or be currently holding a similar position in a company which is involved in the business of broadcasting and distribution activities. The Audit Agency shall submit an undertaking to this effect along with the proposal.
5. The complete proposal in the format given in **Appendix-I** and complete in all respects should be submitted to the concerned TRAI office in a sealed envelope, as per **Appendix-VIII**. The applicant, who is willing to get empanelled for more than one Zone/Local (special) Area, will be treated as All India empanelment and he/she should submit its proposal to TRAI Head Quarter (HQ) New Delhi. In case an applicant applies in more than one Zone/Local (special) Area, separately in TRAI's more than one regional offices, then such proposal will be considered for only one Zone/Local (special) Area, and security deposit(s) for other Zone(s)/Local (special) Area(s) shall be forfeited. **The empanelment process shall be a continuous process henceforth and the process of empanelment may be carried out on monthly basis i.e. a proposal may be submitted by last working day of a month for the next round of empanelment.** An Applicant shall apply only once till TRAI informs it about acceptance/rejection of its proposal. TRAI shall inform all the Applicants whether they have been empanelled or their application has been rejected. An Applicant once rejected by either TRAI HQ or any of TRAI's Regional office shall not be eligible to re-apply till twelve (12) months from the date of intimation of such rejection.

(Sapna Sharma)
Joint Advisor (B&CS)

SECTION-II

Instructions to prospective Audit Agencies

1. The procedure for submission of proposal for empanelment as Auditors, the procedure for selection of Audit Agencies, and the terms & conditions of empanelment are contained in this Document seeking Expression of Interest, which comprise the following: -

Section-I	:	Notice Inviting Proposals
Section-II	:	Instructions to the prospective Audit Agencies
Section-III	:	Terms of Reference
Appendix-I	:	Format for submitting application
Appendix-II	:	List of CA/CS/Cost Accountant Professionals/Graduate Engineers
Appendix-III	:	Undertaking – Clause by Clause Compliance
Appendix-IV	:	Undertaking – Independence
Appendix-V	:	Undertaking – Blacklisting
Appendix-VI	:	Undertaking – Well-versed
Appendix-VII	:	Evaluation Criteria for All-India empanelment
Appendix-VII-A	:	Evaluation Criteria for Zonal level empanelment
Appendix-VII-B	:	Evaluation Criteria for Local level empanelment
Appendix-VIII	:	Details of TRAI's offices where proposal is to be submitted

2. The proposals for empanelment shall be submitted by the Audit Agency as per the format prescribed at **Appendix-I**.

3. The Audit Agency shall provide the contact details with name, designation, address, telephone number, including mobile number, fax number and e-mail ID of its authorized

signatory for correspondence by TRAI. After empanelment, the Audit Agency shall keep the said name, address and other details updated for reference and contact of the service providers.

4. The proposal in the format prescribed in **Appendix-I** should be accompanied with the List of CA/CS/Cost Accountant Professionals/Engineers as per the format prescribed at **Appendix-II**.

5. Along with the proposal for empanelment, the Audit Agency shall submit to TRAI an undertaking/certificate confirming clause by clause compliance, signed by its authorized signatory, of its acceptance of all the conditions/clauses of this Expression of Interest as per the format prescribed at **Appendix-III**.

6. The Audit Agency shall submit its proposal, complete in all respects, in a sealed envelope, along with all the necessary information and documents, by the last working day of a month. The proposal shall be submitted along with refundable security deposit of Rupees Twenty Thousand only (Rs. 20,000/-) in the form of Demand Draft (DD) from a scheduled bank in the name of “Telecom Regulatory Authority of India”. Incomplete proposals and/or the proposals not accompanied with the security deposit shall be summarily rejected. However, TRAI reserves the right to seek clarifications to address shortcoming/ambiguities for the purpose of ascertaining the eligibility. TRAI may hold a pre-bid clarification meeting based on stakeholders’ request.

7. The security deposit shall be refunded to the unsuccessful Applicants within sixty (60) days of rejection of their applications. The Audit Agency selected for empanelment shall be required to submit a performance bank guarantee of Rupees Two Lakhs only (Rs. 2,00,000/-), valid for thirty (30) months, in the name of “Secretary, Telecom Regulatory Authority of India”. The security deposit shall be refunded to the successful Applicants only after the submission of the Performance Bank Guarantee by them. No interest shall be payable by TRAI on the security deposit. In case the selected firms fail to furnish required Performance Bank Guarantee, the security deposit will be forfeited.

8. TRAI reserves the right to cancel the notice for empanelment, or reject any or all of the applications, without assigning any reason.

SECTION-III

Terms of Reference (ToR) for Empanelment of Auditors to carry out Audit of Digital Addressable Systems

1. Background:

1.1 TRAI is a statutory body established under sub-section (1) of Section 3 of the Telecom Regulatory Authority of India Act, 1997 (24 of 1997) (hereinafter referred to as “TRAI Act”), inter-alia, to regulate “Telecommunication Services”. The Central Government, vide its notification, in the Ministry of Communication and Information Technology (Department of Telecommunication), No. 39, published under notification No. S.O. 44 (E) and S.O. 45 (E) dated 09.01.2004, notified ‘broadcasting services’ and ‘cable services’ as telecommunication service, vesting in TRAI the jurisdiction to also regulate the said sector. The main functions entrusted to TRAI under section 11 of TRAI Act are to regulate tariff, interconnection and quality of service of broadcasting services.

1.2 TRAI has in the past issued various regulations, tariff orders and directions in order to regulate the broadcasting and cable services sector. On 3rd March, 2017, TRAI put in place a regulatory framework for digital addressable systems which, inter-alia, includes Interconnection Regulations, 2017, QoS Regulations, 2017 and Tariff Order, 2017. The framework was duly notified, vide press release no. 71/2018 dated 3rd July, 2018, giving effect to all the timelines prescribed in the above-mentioned framework from 3rd July, 2018. The full text of these regulations, tariff order and press release is available on TRAI’s website www.trai.gov.in. The amendments made to Interconnection Regulations, 2017, QoS Regulations, 2017 and Tariff Order, 2017, from time to time, are also available on TRAI’s website www.trai.gov.in.

1.3 The television broadcasting sector consists of 998 registered MSOs¹, 4 private DTH operators, 42 pay TV broadcasters, one operational HITS operator and a few IPTV operators in the country. The size and network of service providers is quite varied as some of them have a huge subscriber base, while there are many medium and small distributors.

1.4 Regulations 10(7), 15(1) and 15(2) of the Interconnection Regulations, 2017 have provisions relating to audit. The audit under regulation 10(7) is commissioned by a broadcaster before providing signals to a distributor to verify whether an addressable system of the distributor meets the addressable system requirements as specified by the regulations. The audit under regulation 15(1) makes it incumbent upon a distributor to call for audit of its systems once in every calendar year. Regulation 15(2) provides for an audit caused by a broadcaster who is either not satisfied with the audit report of a distributor or

¹ As on 23.10.2023, as per information available on website of Ministry of Information & Broadcasting

is of the opinion that the addressable system being used by the distributor does not meet requirements as specified in the Interconnection Regulations, 2017.

1.5 The Interconnection Regulations, 2017 provide that the Authority may empanel auditors for the purpose of such audit. In order to finalize the terms and conditions pertaining to the empanelment of auditors as a part of established practice, TRAI floated a Consultation Paper on “Empanelment of Auditors for Digital Addressable Systems” on 22.12.2017 seeking written comments of stakeholders on the issues involved. Thereafter, an open house discussion (OHD) was convened on this issue on 12th April, 2018 at TRAI’s office in New Delhi, which was attended by a number of stakeholders including associations, companies, organization, firms, service providers and individuals.

1.6 Based on the outcome of Stakeholders’ committee constituted by TRAI, comprising of members nominated by Indian Broadcasting Foundation (IBF), News Broadcasters’ Association (NBA), All India Digital Cable Federation (AIDCF), DTH Association and BECIL, and subsequent TRAI’s analysis, the Authority issued a consultation paper on the ‘Telecommunication (Broadcasting and Cable) Services Digital Addressable Systems Audit Manual’ on 29th March, 2019. Subsequently, the Authority issued ‘The Telecommunication (Broadcasting and Cable) Services Digital Addressable Systems Audit Manual’ on 8th November, 2019. This audit manual is available at TRAI’s website https://main.trai.gov.in/sites/default/files/Audit_manual_08112019_0.pdf. This Audit Manual is proposed as a guidance document for stakeholders. This manual does not supersede any provision of the extant regulations. In case of any discrepancy between the provision of Interconnection Regulations, 2017, other extant Regulations or tariff order, and the Audit Manual, the provisions as per the regulations/tariff orders shall prevail.

1.7 Meanwhile, the Authority also initiated the process for empanelment of auditors. TRAI had issued an Invitation of Expression of Interest for Empanelment of Auditors to Carry out Audit of Digital Addressable Systems on 29th March, 2019, for the first round of empanelment, and another on 25 October, 2019, for the second round of empanelment. Thereafter TRAI issued revised EoIs on 27th February 2020 (its corrigendum on 6th March, 2020), 1st July 2020 and 6th April 2022. Thereafter, after examining the proposals received, the Authority has already empaneled many audit agencies (list available on TRAI website). This invitation is being issued for calling the proposals from audit agencies for next round of empanelment to conduct audit of Digital Addressable Systems under the aforesaid regulations.

2. Scope of Work:

The scope of work is as under:

- (a) audit of the addressable system of the distributor to verify whether the addressable system being used by the distributor of television channels meets the requirements

specified in the Schedule III or the Schedule X or both, as the case may be, of Interconnection Regulations, 2017;

- (b) audit of the subscriber management system, conditional access system and other related systems of the distributor of the addressable system, once in a year, to verify that the monthly subscription reports made available by the distributor to the broadcasters are complete, true and correct, as per regulation 15 of the Interconnection Regulations, 2017.
- (c) conduct audit as per regulations 10(7), 15(1) and 15(2) of the Interconnection Regulations, 2017.

3. Formation and Validity of the Panel

3.1 TRAI shall select the panel of auditors based on the criteria for shortlisting/evaluation detailed at **Appendix-VII, VII-A and VII-B**.

3.2 The period of empanelment shall be valid for two (2) years from the date of empanelment of the concerned firm.

3.3 The Authority reserves the right to extend the empanelment for further period, on request of the Audit Agency, and after assessment of their audit performance during the period of empanelment, as per the terms of latest EoI for Empanelment of Auditors to Carry out Audit of Digital Addressable Systems.

3.4 TRAI reserves the right to accept or reject any proposal without assigning any reason. Further, TRAI reserves the right to review and expand the panel at any time.

4. Eligibility Criteria:

The Applicants, in order to be eligible for empanelment, are required to fulfil the following criteria:

- (a) The Applicant should be a company registered under the Companies Act, 2013, OR an LLP registered under the Limited Liability Partnership Act, 2008, OR a partnership firm registered under the Partnership Act, 1932, OR a proprietorship firm registered with ICAI as an audit firm.
- (b) The Applicant should have at least three full time professionals from among Chartered Accountant (CA)/Company Secretary (CS)/Cost Accountant (CoA)/Graduate Engineer and at least one of the three professionals should be a Chartered Accountant (CA)/Company Secretary (CS)/Cost Accountant (CoA). Such professionals should be full time partners or employees working with the Audit Agency since at-least six (6) months prior to the date of application. (The list of such professionals should be submitted along with the proposal, as per the format prescribed at **Appendix-II**).

(c) The applicant shall have, in the immediate two preceding financial years, a minimum average annual turnover of:-

- (i) Rupees Fifty Lakhs only (Rs. 50,00,000/-), for All-India empanelment or for more than one regional level empanelment.
- (ii) Rupees Twenty Five Lakhs only (Rs. 25,00,000/-), for Zonal level empanelment; and
- (iii) Rupees Five Lakhs only (Rs. 5,00,000/-), for State/Union Territory level empanelment.

The Audit Agency shall submit relevant documentary evidence duly certified by self in this regard, including the audited Balance Sheet, Profit and Loss Account and other financial statements, if any, for the preceding two financial years.

(d) The Applicant should have a minimum experience of one year, either on its own or through any of its partners/employees, in:-

- (i) audit of Digital Addressable System (DAS) [Subscriber Management System (SMS)/Conditional Access System (CAS)] (technical and/or subscription) of distributors; or
- (ii) audit of billing and metering and/or payment and prepaid charging system involving the use of software tools and/or Banking IT system; or
- (iii) for Local level empanelment, Technical Audit in Banking Finance Service & Insurance (BFSI)/Telecom Sector.

The Audit Agency shall submit documentary evidence regarding relevant experience.

Note: Experience of statutory/internal(financial)/internal audit/concurrent audit/risk based internal audit/Revenue audit/ Management audit/Information system audit/IFC Audit/Accounting taxation & GST Consultancy/stock audit/review of book of accounts/audit of consumer accounts/ special audit of accounts/ audit of SMS of various distributor mapped in software/ review of billing and metering/ review of payment and prepaid charging system involving the use of software tools/IT Audit of NBFC/migration audit and similar audits, will not considered as relevant experience required as per EoI. However, 'Revenue assurance audit' and 'Audit related to Business analytics using IT systems' may be considered as relevant experience required as per EoI.

(e) The Applicant should be well-versed with the broadcasting and distribution industry and shall be proficient in understanding the network head-end setup, customer and system lifecycle knowledge and integration of customer details in SMS and CAS. The Audit Agency shall submit an undertaking to this effect, along with the proposal, as per the format prescribed at **Appendix-VI**.

(f) The Applicant should be independent of broadcasting service providers and should not have any direct or indirect involvement or interest, in the design, construction, operation or maintenance of software such as CAS/SMS/Middleware/EPG or hardware/electronic devices used in digital addressable systems of a service provider. Further, neither any director/partner/key managerial personnel of the Applicant, nor any of its audit

personnel, should have held in the last one year or be currently holding, a similar position in a company which is involved in the business of broadcasting and distribution activities. The Audit Agency shall submit an undertaking to this effect, along with the proposal, as per the format prescribed at **Appendix-IV**.

(g) The Applicant or any of its professionals shall not have been disqualified or blacklisted by any department of any State Government/Central Government or any Bank or Financial Institution or any statutory body or any professional body. Further, the Applicant or any of its professionals should not have been held guilty of criminal misconduct at any point of time. The Applicant shall submit an undertaking to this effect, along with the proposal, as per the format prescribed at **Appendix-V**.

5. Reporting Requirement:

5.1 The Audit Agency shall submit monthly report to TRAI about the details of audits and its broad outcomes, if any, carried out by them during the month, within seven (07) days from the end of the respective month, as per the format prescribed by TRAI from time to time.

5.2 In case the Audit Agency observes any major discrepancy in the system of the distributor during audit, the same shall be reported to TRAI immediately.

6. Confidentiality:

6.1 The Audit Agency shall treat all the information provided by the service provider as confidential and shall not share such information without the written approval of the service provider.

6.2 The Audit Agency shall enter into necessary confidentiality agreement with the service provider to the satisfaction of the service provider.

9. Other Terms and Conditions

7.1 The Audit Agency shall adhere to the scope of work given in this document and Interconnection Regulations, 2017.

7.2 The Audit Agency and its staff/audit personnel must carry out the tasks with the highest degree of professional integrity and technical competence. They must be free from all pressures and inducements, particularly financial, which might influence their judgment or the results of any assessment, especially from persons or groups of persons with an interest in such results.

7.3 The Audit Agency shall guarantee the impartiality of inspection staff/audit personnel. Their remuneration must not depend on the number of assessments carried out or on the results of such assessments.

7.4 In case of any misconduct or negligence, TRAI may report the matter at any time to any Government agency or department/statutory body/ICAI/ ICWAI or any other concerned professional body.

7.5 The Audit Agency shall maintain, at all times during its period of empanelment, necessary office set up and adequate personnel to ensure proper deployment for timely completion of the assignments.

7.6 The Audit Agency shall not sub-contract the audit work assigned to it to any outside firm or other persons.

7.7 In case any information/documents submitted by the Applicant to TRAI, whether at the time of submission of proposal or thereafter, are found to be incorrect or false or misleading, the Audit Agency shall be removed from the panel immediately. In addition, the Audit Agency and the professionals deployed for the said audit shall be liable for appropriate action, in accordance with the statutory guidelines or professional rules.

7.8 TRAI reserves the right to remove any Audit Agency from the panel, in case it is found that any of the conditions laid down in this document have been contravened, or the performance of the auditor is found to be unsatisfactory, or any serious act of omission or commission is noticed in their working. Such Audit Agency will be blacklisted for empanelment with TRAI for a period of two (2) years. If felt necessary, the matter may be reported to ICAI and/or RBI/IBA/ICSI/ICWAI/BCI or any other concerned professional body for necessary action.

7.9 The empanelment shall be subject to unconditional acceptance of the terms and conditions of this document.

7.10 The Audit Agency shall comply with all the instructions, guidelines etc. issued by TRAI, from time to time, for the purpose of conducting the audit of the digital addressable systems of service providers and for reporting thereof.

7.11 The Audit Agency shall not undertake audit of addressable system of any service provider for whom he is also the statutory auditor or internal auditor or concurrent auditor or where he is the consultant to the service provider.

7.12 The Audit Agency shall not undertake audit of the addressable system of any service provider consecutively for more than three (3) years.

7.13 TRAI may call the Audit Agency for meetings/presentations for seeking/providing clarifications or for reviewing the progress of audit. The Audit Agency shall attend such meetings/presentations at their own expense.

7.14 The Audit Agency shall indemnify and hold TRAI harmless against any claims, demands, disputes or judgment of any nature brought against TRAI and arising out of the services provided by the Audit Agency to the service provider under this EoI. TRAI shall be entitled to get the monetary loss suffered by it, if any, reimbursed from the Audit Agency. TRAI may also, at its discretion, remove the Audit Agency from the panel in such circumstances, without prejudice to the obligation of the Audit Agency under this clause, which shall survive even after the removal of Audit Agency from the panel.

7.15 The Audit Agency shall be solely responsible for any consequences arising out of any misconduct or negligence on the part of the Auditor or any of its partners/ employees in respect of the services provided by the Audit Agency to the service provider under this EoI. However, TRAI reserves the right to take any action against the Audit Agency, in such circumstances.

7.16 In case of disputes/clarifications arising out of this document, the decision of TRAI shall be final and binding on the Audit Agency.

7.17 The Audit Agency shall comply with and be governed by the laws of India for the time being in force.

7.18 All the documents required to be submitted along with this Expression of Interest shall be in English, or duly translated in English with proper authentication.

FORMAT FOR SUBMITTING APPLICATION

Application for: (a) All India empanelment

OR

(b) Zonal level empanelment

OR

(c) Local level empanelment

(Tick \surd any one as applicable)

In case of Option (b) or (c), please mention the name of the Zone or Special Area in which you want to operate: _____

1. Name of the Applicant:
2. Registered Address:
3. Please state whether the Applicant is company or partnership firm or LLP or a proprietorship firm registered with ICAI as audit firm. [Please attach certified copy of registration or Memorandum of association or Partnership deed, signed and stamped on all pages (having evidence of number of years for which the Applicant has been in operation), as per the checklist below]:
4. Please state whether the Applicant has at least three full time professionals from among Chartered Accountant (CA)/Company Secretary(CS)/Cost Accountant(CoA)/Graduate Engineer (Yes/No). [Please provide documentary evidence containing the details of the Chartered Accountant (CA)/Company Secretary (CS)/Cost Accountant (CoA)/Engineer engaged by the Applicant on its letterhead as per **Appendix-II** of EoI, signed and stamped by the Applicant. Please provide copy of Degree Certificates of at least three CA/CS/CoA/Graduate Engineer, signed and stamped by the Applicant, as per the checklist below]:
5. The average annual turnover of the Applicant for the immediate last two financial years [Please provide documentary evidence in this regard including audited financial statements or Income Tax Returns for the last two financial years, signed and stamped by the Applicant, as per the checklist below]:

6. The no. of years for which the Applicant has experience, either on its own or through any of its partners/employees) in the following:
 - (a) Audit of Digital Addressable System (DAS) [SMS / CAS] (technical and/or subscription) of distributors:
 - And/Or
 - (b) Audit of billing and metering and/or payment and prepaid charging system involving the use of software tools and/or Banking IT system:
 - And/Or
 - (c) Technical Audit in Banking Finance Service & Insurance (BFSI)/ Telecom Sector:

[Please attach documentary evidence in this regard, as per the checklist below]

7. Please state if any DAS [SMS/CAS] (technical and/or subscription) audits have been undertaken by the Applicant. [If yes, please provide the number of audits undertaken, and documentary evidence in this regard, as per the checklist below]:
8. Please state the number of full time professional engaged by the Applicant who have experience in DAS [SMS/CAS] (technical and/or subscription) audits. [Please attach documentary evidence in this regard, as per the checklist below]:
9. Please state whether the Applicant is independent of broadcasting service providers. [Please attach an undertaking signed by the authorized person of the Applicant on the Applicant's letterhead, as per **Appendix-IV**. Please refer to the checklist below]:
10. Please state whether the Applicant has been disqualified or blacklisted by any department of any State Government/Central Government or any Bank or Financial Institution or any statutory body or any professional body. [Please attach an undertaking signed by the authorized person of the Applicant, as per **Appendix-V**. Please refer to the checklist below]:
11. Please state whether the Applicant is well-versed with the broadcasting and distribution industry and is proficient in understanding the network head-end setup, customer and system life cycle knowledge and integration of customer details in SMS and CAS. [Please attach an undertaking signed by the authorized person of the Applicant, as per **Appendix-VI**. Please refer to the checklist below]:
12. Please state whether the Applicant accepts all the conditions/clauses of this EoI. [Please provide a certificate confirming clause by clause compliance, signed by Applicant's authorized signatory, as per **Appendix-III**. Please refer to the checklist below]:

13. Please state whether the Applicant has branch offices in Delhi (including NCR area), Mumbai (including Greater Mumbai, Vasai, Kalyan), Chennai, Kolkata or any other city, as per the checklist below:
14. Please provide the name, designation, address, telephone number, fax number and e-mail ID of the authorized signatory of the Audit Agency for correspondence by TRAI and service providers.
15. Please state whether you have applied for empanelment to carry out audit of DAS earlier, in any of the Regional office of TRAI or TRAI HQ and were rejected for the same. If so, mention the date of TRAI's letter intimating rejection.

(Signature of Authorized Signatory)

Name and Designation

Place:

Date:

Checklist

1. Requirements of Point No. 3 of the format above:-
 - (i) Please inform whether you are a company or partnership firm or LLP or a proprietorship firm registered with ICAI as audit firm
 - (ii) Please attach certified copy of registration or Memorandum of association or Partnership deed, signed and stamped on all pages (having evidence of number of years in operation of the Applicant).
2. Requirements of Point No. 4 of the format above:-
 - (i) Please explicitly state whether you meet the criteria at clause 4(b) of Section-III of this EoI.
 - (ii) Please provide complete information on the Applicant's letterhead, signed and stamped by the Applicant, as per **Appendix-II**.
 - (iii) Please provide copy of Degree Certificates of at least three CA/CS/CoA/Graduate Engineer (at least one of them should be CA/CS/CoA), signed and stamped by the Applicant.
3. Requirements of Point No. 5 of the format above:-
 - (i) Please explicitly state whether you meet above-mentioned criteria of Point No. 5.
 - (ii) Please provide annual turnover for immediate last two financial years.

- (iii) Please provide documentary evidence in this regard including audited financial statement or Income Tax Returns for last two financial years, signed and stamped by the Applicant (copy of annual report may also be provided).

4. Requirements of Point No. 6 of the format above:-

- (i) Please explicitly indicate whether the Applicant has experience, either on its own or any of its partner/employee of (i) at least one year in the audit of Digital Addressable System (DAS) [SMS / CAS] (technical and/or subscription) of distributors; or (ii) at least one year in the audit of billing and metering and/or payment and prepaid charging system involving the use of software tools and/or Banking IT system.
- (ii) (a) Please explicitly provide the experience in terms of number of years, in case of audit of Digital Addressable System (DAS) [SMS/CAS] (technical and/or subscription) of distributors, signed and stamped by the Applicant.

AND/OR

- (b) Please explicitly provide the experience in terms of number of years, in case of Audit of billing and metering and/or payment and prepaid charging system involving the use of software tools and/or Banking IT system, signed and stamped by the Applicant.

AND/OR

- (c) Please explicitly provide the experience in terms of number of years, in case of Technical Audit in Banking Finance Service & Insurance (BFSI)/Telecom Sector.
- (iii) Please provide copy of work completion certificate issued by the agency for whom the audit was done, stating the relevant experience in terms of number of years (signed and stamped by the Applicant), or the original Certificate issued by the broadcaster, or by the agency for whom the audit was done, stating the relevant experience in terms of number of years (signed and stamped on their letterhead).

Note: Experience of statutory/internal(financial)/internal audit/concurrent audit/risk based internal audit/Revenue audit/ Management audit/Information system audit/IFC Audit/ Accounting taxation & GST Consultancy/stock audit/review of book of accounts/audit of consumer accounts/ special audit of accounts/ audit of SMS of various distributor mapped in software/ review of billing and metering/ review of payment and prepaid charging system involving the use of software tools/IT Audit of NBFC/migration audit and similar audits, will not considered as relevant experience required as per EoI. However, 'Revenue assurance audit' and 'Audit related to Business analytics using IT systems' may be considered as relevant experience required as per EoI

5. Requirements of Point No. 7 of the format above:-

- (i) Please explicitly state if any DAS [SMS/CAS] (technical and/or subscription) audits have been undertaken by the Applicant.
- (ii) If yes, then please provide copy of work completion certificate issued by the agency for whom the audit was done, regarding the relevant experience (signed

and stamped by the Applicant), or the original Certificate issued by the broadcaster/distributor, regarding the relevant experience (signed and stamped on the broadcaster's/distributor's letterhead).

6. Requirements of Point No. 8 of the format above:-

- (i) Please explicitly state the number of full time professionals with experience in DAS [SMS/CAS], signed and stamped by the Applicant on its letterhead.
- (ii) Please attach certificate from the broadcaster/DPO(s) (signed and stamped on their letterhead) mentioning the name of the professional(s) engaged in DAS [SMS/CAS] Audit.
- (iii) Please indicate if any of your professionals has been trained in any reputed institution which has more than three (3) years of experience of conducting DAS [SMS/CAS] audits. If yes, please indicate the number of such professionals.

7. Requirements of Point No. 9 of the format above:-

- (i) Please provide an undertaking as per **Appendix-IV**.
- (ii) The undertaking should be signed and stamped on the Applicant's letterhead
- (iii) No change in the specified language will be accepted.

8. Requirements of Point No. 10 of the format above:-

- (i) Please provide an undertaking as per **Appendix-V**.
- (ii) The undertaking should be signed and stamped on the Applicant's letterhead
- (iii) No change in the specified language will be accepted.

9. Requirements of Point No. 11 of the format above:-

- (i) Please provide an undertaking phrased as per **Appendix-VI**.
- (ii) The undertaking should be signed and stamped on the Applicant's letterhead
- (iii) No change in the specified language will be accepted.

10. Requirements of Point No. 12 of the format above:-

- (i) Please provide an undertaking phrased as per **Appendix-III**.
- (ii) The undertaking should be signed and stamped on the Applicant's letterhead
- (iii) No change in the specified language will be accepted.

11. Requirements of Point No. 13 of the format above:-

- (i) Please provide the names of the cities in which the Applicant has branch offices.

12. Please submit, along with the proposal, a refundable security deposit of Rs. 20,000/- in the form of Demand Draft (DD) from a scheduled bank in the name of "Telecom Regulatory Authority of India", payable at New Delhi in case of submission of proposal to TRAI HQ and payable at the city/place of location of the concerned Regional Office of TRAI in case submission of proposal to a Regional Office of TRAI (refer **Appendix-VIII**).

Appendix-II

LIST OF CA/CS/COST ACCOUNTANT PROFESSIONALS/GRADUATE ENGINEERS

Sl. No.	Name	Designation	Whether professional is a CA/CS/CoA/Engineer	Whether full-time employees/partners	Date of Appointment	PF No./UAN	Gross Salary	Remarks

(Signature of Authorized Signatory)

Name and Designation

Place:

Date:

UNDERTAKING – CLAUSE BY CLAUSE COMPLIANCE

M/s. _____, certify that we accept all the conditions/ clauses of the Expression of Interest for “Empanelment of Auditors to Carry out Audit of Digital Addressable Systems” issued by TRAI on _____ and shall ensure clause by clause compliance of this Expression of Interest.

(signed and stamped on the Applicant’s letterhead)

UNDERTAKING – INDEPENDENCE

M/s. _____ is independent of broadcasting service providers and does not have any direct or indirect involvement or interest in the design, construction, operation or maintenance of software such as CAS/SMS/Middleware/EPG or hardware/electronic devices used in digital addressable systems of a service provider. Further, the directors/partners/key managerial personnel and the audit personnel of M/s. _____ have not held, in the last one year, nor are they currently holding, a similar position in any company which is involved in the business of broadcasting and distribution activities.

(signed and stamped on the Applicant's letterhead)

UNDERTAKING – BLACKLISTING

M/s. _____ or any of its professionals have not been disqualified or blacklisted by any department of any State Government/Central Government or any Bank or Financial Institution or any statutory body or any professional body. Further, M/s. _____ or any of its professionals have not been held guilty of criminal misconduct at any point of time.

(signed and stamped on the Applicant's letterhead)

UNDERTAKING – WELL-VERSED

M/s. _____ is well-versed with the broadcasting and distribution industry and is proficient in understanding the network head-end setup, customer and system lifecycle knowledge and integration of customer details in SMS and CAS.

(signed and stamped on the Applicant's letterhead)

**EVALUATION CRITERIA FOR ALL-INDIA EMPANELMENT
OR FOR EMPANELMENT IN MORE THAN ONE ZONES/
LOCAL (SPECIAL) AREA**

The following list of parameters shall form the basis for examination and evaluation of the proposals for short-listing of Applicants for All-India empanelment or empanelment in more than one zones.

Sl. No	Criteria	Range	Points	Maximum Points	
1.	No. of years in operation	Upto 2 years	10	20	
		2 – 4 years	15		
		Above 4 years	20		
2.	Average annual turnover for the last two financial years	Rs.50 Lakhs – 1 Crore	10	20	
		Above Rs. 1 Crore – 2 Crores	15		
		Above Rs. 2 Crores	20		
3.	Experience in the audit of SMS/CAS (technical and/or subscription) of distributors	1 year	10	30	
		1 – 2 years	15		
		2 – 3 years	25		
		Above 3 years	30		
	AND/OR				
	Experience in audit of billing and metering and/or payment and prepaid charging system involving the use of software tools and/or Banking IT system.	1 year	5		
		1 – 2 years	10		
		2 – 3 years	15		
		Above 3 years	20		
	4.	Number of professionals who have been trained in any reputed institution that has more than 3 years of experience of conducting DAS [SMS/CAS] audits	1 or more		8
AND/OR					
No. of full time professionals who have experience in SMS/CAS (technical and/or subscription) audits			1	12	
		2	16		
		3 and above	20		

5.	Infrastructure and facilities	Branch offices in Delhi (including NCR area), Mumbai (including Greater Mumbai, Vasai, Kalyan), Chennai, Kolkata or any other city.	2 for each city	10
TOTAL POINTS				100

Eligible Applicants having secured 50 or more² points would be considered for empanelment. The eligible Applicants may be invited to make a presentation at a date, time and location intimated by TRAI. The purpose of such presentation would be to allow the Applicants to present their technical proposal, approach and methodology and other key points in the proposals. TRAI reserves the right to seek clarifications to address any shortcomings/ambiguities, for the purpose of ascertaining the eligibility.

TRAI's decision in this regard shall be final and binding and no further discussion/interaction will be held with the unsuccessful Applicants.

² TRAI reserves the right for reviewing the above-mentioned criteria to ensure that enough Audit Agencies are empanelled to cover different states/areas.

Appendix–VII-A

**EVALUATION CRITERIA FOR ZONAL LEVEL
EMPANELMENT**

The following list of parameters shall form the basis for examination and evaluation of the proposals for short-listing of Applicants for Zonal level empanelment.

Sl. No	Criteria	Range	Points	Maximum Points	
1.	No. of years in operation	Upto 2 years	10	20	
		2 – 4 years	15		
		Above 4 years	20		
2.	Average annual turnover for the last two financial years	Rs. 25 Lakhs – 50 Lakhs	10	20	
		Above Rs. 50 Lakhs – 1 Crore	15		
		Above 1 Crore	20		
3.	Experience in the audit of SMS / CAS (technical and/or subscription) of distributors.	1 year	10	30	
		1 – 2 years	15		
		2 – 3 years	25		
		Above 3 years	30		
	AND/OR				
	Experience in audit of billing and metering and/or payment and prepaid charging system involving the use of software tools and/or Banking IT system.	1 year	5		
		1 – 2 years	10		
		2 – 3 years	15		
		Above 3 years	20		
	4.	Number of professionals who have been trained in any reputed institution that has more than 3 years of experience of conducting DAS [SMS/CAS] audits	1 or more		8
AND/OR					
No. of full time professional who have experience in SMS/CAS (technical and/or subscription) audits			1	12	
2		16			
3 and above		20			

5.	Infrastructure and facilities	Branch offices in Delhi (including NCR area), Mumbai (including Greater Mumbai, Vasai, Kalyan), Chennai, Kolkata or any other city.	2 for each city	10
TOTAL POINTS				100

Eligible Applicants having secured 50 or more³ points would be considered for empanelment. The eligible Applicants may be invited to make a presentation at a date, time and location intimated by TRAI. The purpose of such presentation would be to allow the Applicants to present their technical proposal, approach and methodology and other key points in the proposals. TRAI reserves the right to seek clarifications to address any shortcomings/ambiguities, for the purpose of ascertaining the eligibility.

TRAI's decision in this regard shall be final and binding and no further discussion/interaction will be held with the unsuccessful Applicants.

³ TRAI reserves the right for reviewing the above-mentioned criteria to ensure that enough Audit Agencies are empanelled to cover different states/areas.

Appendix–VII-B

**EVALUATION CRITERIA FOR LOCAL LEVEL
EMPANELMENT**

The following list of parameters shall form the basis for examination and evaluation of the proposals for short-listing of Applicants for Local level empanelment.

Sl. No.	Criteria	Range	Points	Maximum Points	
1.	No. of years in operation	1 – 2 years	5	25	
		2 – 3 years	10		
		3 – 4 years	15		
		4 – 5 years	20		
		More than 5 years	25		
2.	Average annual turnover for the last two financial years	Rs. 5 – 15 Lakhs	5	25	
		Above Rs. 15 – 25 Lakhs	10		
		Above Rs. 25 – 50 Lakhs	15		
		Above Rs. 50 – 75 Lakhs	20		
		Above Rs. 75 Lakhs	25		
3.	Experience in the audit of SMS /CAS (technical and/ or subscription) of distributors.	1 year	5	20	
		1 – 2 years	10		
		2 – 3 years	15		
		Above 3 years	20		
	OR				
	Experience in audit of billing and metering and/or payment and prepaid charging system involving the use of software tools and/or Banking IT system.	1 year	5	20	
		1 – 2 years	10		
		2 – 3 years	15		
		Above 3 years	20		
	OR				
	Experience in Technical Audit in BFSI (Banking Finance Service & Insurance/ Telecom Sector	1 year	2	7	
		1 – 2 years	5		
		2 – 3 years	7		

		Above 3 years	10	
4.	Number of professionals who have been trained in any reputed institution that has more than 3 years of experience of conducting DAS [SMS/CAS] audits	1 or more	4	10
OR				
No. of full time professional who have experience in SMS/CAS (technical and/or subscription) audits		1	6	
		2	8	
	3 and above	10		
5.	Infrastructure and facilities	Branch office in Delhi, Mumbai, Chennai, Kolkata or any other city	2 for each city	10
And / OR				
Office located in a city in the Special Area for which the Applicant is submitting its proposal.		10		
TOTAL POINTS				100

Eligible Applicants having secured 50 or more⁴ points would be considered for empanelment. The eligible Applicants may be invited to make a presentation at a date, time and location intimated by TRAI. The purpose of such presentation would be to allow the Applicants to present their technical proposal, approach and methodology and other key points in the proposals. TRAI reserves the right to seek clarifications to address any shortcomings/ambiguities for the purpose of ascertaining the eligibility.

TRAI's decision in this regard shall be final and binding and no further discussion/interaction will be held with the unsuccessful Applicants.

⁴ TRAI reserves the right for reviewing the above-mentioned criteria to ensure that enough Audit Agencies are empanelled to cover different states/areas.

DETAILS OF TRAI'S OFFICE WHERE PROPOSAL NEEDS TO BE SUBMITTED

Sl. No.	Level of Empanelment	Name of the Zone/Special Area	Contact details of the TRAI's Official to whom proposal needs to be sent in hard copy
1.	All-India	All-India	Mr. Arvind Kumar Section Officer (B&CS), TRAI, Mahanagar Doorsanchar Bhawan, J.L.N. Marg (Old Minto Road), New Delhi – 110002 [Email- interconnect-bcs@trai.gov.in]
2.	Zonal	North	Mr. Arvind Kumar Section Officer (B&CS), TRAI, Mahanagar Doorsanchar Bhawan, J.L.N. Marg (Old Minto Road), New Delhi – 110002 [Email- interconnect-bcs@trai.gov.in]
3.	Zonal	Central	Advisor, TRAI, RO-Bhopal, Telecom Museum Building, Near Arera Telephone Exchange, Arera Hills, Bhopal, Madhya Pradesh – 462004 [Email- adv.bhopal@trai.gov.in ; traibhopal@gmail.com]
4.	Zonal	West	Advisor, TRAI, RO-Jaipur, South Block, Admin Building, Jhalana Doongri, 1st Floor, Jaipur, Rajasthan – 302004 [Email- adv.jaipur@trai.gov.in ; traijaipur@gmail.com]
5.	Zonal	East	Advisor, TRAI, RO-Kolkata, Bharat Bhawan, 1st Floor, 3-C.R. Avenue, Kolkata, West Bengal – 700072 [Email- adv.kolkata@trai.gov.in ; traikolkata@gmail.com]
6.	Zonal	South-West	Advisor, TRAI, RO-Bangalore Telephone House, Raj Bhawan Road, Bangalore, Karnataka – 560001 [Email- adv.bengaluru@trai.gov.in ; traibangalore@gmail.com]
7.	Zonal	South	Advisor, TRAI, RO-Hyderabad, 6th Floor, Doorsanchar Bhawan, Nampally Station Road, ABIDS, Hyderabad, Telangana – 500001 [Email- advisortraihyd@gmail.com]
8.	Local	NER	Advisor, TRAI, RO-Kolkata, Bharat Bhawan, 1st Floor, 3-C.R. Avenue, Kolkata, West Bengal – 700072 [Email- adv.kolkata@trai.gov.in ; traikolkata@gmail.com]
9.	Local	J&K	Mr. Arvind Kumar Section Officer (B&CS), TRAI, Mahanagar Doorsanchar Bhawan, J.L.N. Marg (Old Minto Road), New Delhi – 110002 [Email- interconnect-bcs@trai.gov.in]

Sl. No.	Level of Empanelment	Name of the Zone/Special Area	Contact details of the TRAI's Official to whom proposal needs to be sent in hard copy
10.	Local	Ladakh	Mr. Arvind Kumar Section Officer (B&CS), TRAI, Mahanagar Doorsanchar Bhawan, J.L.N. Marg (Old Minto Road), New Delhi – 110002 [Email- interconnect-bcs@trai.gov.in]
11.	Local	A&N	Advisor, TRAI, RO-Kolkata, Bharat Bhawan, 1st Floor, 3-C.R. Avenue, Kolkata, West Bengal – 700072 [Email- adv.kolkata@trai.gov.in ; traikolkata@gmail.com]
12.	Local	Lakshadweep	Advisor, TRAI, RO- Bangalore Telephone House, Raj Bhawan Road, Bangalore, Karnataka – 560001 [Email- adv.bengaluru@trai.gov.in ; traibangalore@gmail.com]
