

COMMENTS ON THE CONSULTATION PAPER ON
Audit related provisions of Telecommunication (Broadcasting and Cable)
Services Interconnection (Addressable Systems) Regulations, 2017
and
The Telecommunication (Broadcasting and Cable) Services
Digital Addressable Systems Audit Manual

SUBMITTED BY K. R. SRIRAM & CO.
(TRAI EMPANELLED AUDITOR TO CARRY OUT AUDIT OF
DIGITAL ADDRESSABLE SYSTEMS (DAS))

CHAPTER 2

Q1. Should provision of Regulation 15(1) be retained or should it be removed in the Interconnection Regulation 2017?

i) In case you are of the opinion that provisions of Regulation 15(1) should be retained then a. Should it continue in its present form, or do they need any modifications?

Response:

We are of the opinion that Regulation 15(1) should be retained. Further, we are also of the opinion that Regulation 15(1) should be retained in its present form itself without any alterations as the same is very detailed and captures the essence of the DAS Regulations.

b. In case you are of the opinion that modifications are required in Regulation 15(1) of the Interconnection Regulation 2017, then please suggest amended regulations along with detailed justification for the same.

Response:

No modifications to Regulation 15(1) are suggested by us.

ii) In case it is decided that provisions of Regulation 15(1) should be removed then what mechanism should be adopted to ensure that the monthly subscription reports made available by the distributors to the broadcasters are complete, true and correct?

Response:

We opine that the provisions of Regulation 15(1) should not be removed.

Q2. Should small DPOs be exempted from causing audit of their systems every calendar year, under Regulation 15(1) of Interconnection Regulation?

Response:

We are of the opinion that none of the DPOs should be exempted from causing Annual Audit of their systems. The reasons for this opinion of ours are as follows:

It has been cited in 2.7 of the Consultation paper that DPOs - “..... find difficulty in causing audits of their systems every year as they have capacity constraints both in terms of manpower as-well-as financial. Recently representations were also received from a few small DPOs with request to exempt them from audit due to inability to afford audit fees.”

Thus, 2 broad reasons have been cited by DPOs for not conducting Audits under Regulation 15(1): 1. Manpower constraints and 2. Financial Burden of Audits.

To avoid the problems of manpower during Audit, the scheduling of Audit by small DPOs should ideally be done on weekdays only. Further, as a DAS Audit firm having carried out DAS Audits for more than 4 years, we are of the opinion that usually at least 1 Technical Staff is

present throughout any day for taking care of the Digital Addressable System deployed. The requirements during Audit are effectively managed by the SMS, CAS and STB vendor representatives for most of the Audit procedures, report extractions and testing. This is often done by the vendors even by remotely accessing the systems in the presence of the Auditors. The Authority may make it compulsory for all concerned vendors to provide complete support to the DPOs during Audit (and non-compliance of the Authority's directive on this by any vendor could lead to cancellation of the Schedule IX compliance certificate for such vendor) to ensure that the available manpower of any DPO may be sufficient to coordinate and conclude any DAS audit with the support from the respective vendors.

Regarding financial burden of an annual DAS Audit, it may be stated that usually the cost of an **Annual DAS Compliance Audit** is a fraction of the Annual turnover of even the smallest DPO. Normally this annual cost of DAS Compliance Audit of a DPO with a single headend and single SMS and CAS installed, does not exceed Rs. 5/- per subscriber. Considering that this is an annual cost, it may be easily realised that the same is just a small fraction of the annual turnover per subscriber for any DPO. Further, we would also like to state that we have been empanelled for more than 4 years. In these 4 years, for DPOs with less than 50,000 subscriber base, we have received the request/query for only a commercial quotation for conducting a DAS audit from less than 25 DPOs (out of the hundreds of such category of DPOs) and have audited about 10 such DPOs. The understanding of financial burden of a DAS audit by any DPO can only take place once the DPO approaches the empanelled auditors for such an audit. Given the number of queries for commercial quotations received by us in more than 4 years from less than 50,000 subscriber base DPOs, we feel that the actual reason for avoiding such audits under Regulation 15(1) by certain DPOs might be beyond financial constraints.

Presently, there are 52 empanelled auditors of whom more than 35 are empanelled for PAN India audits including us. A competitive quotation from one of the many empanelled companies cannot be a logical hindrance in our opinion.

As such, the conduct of DAS Audits to ensure Compliance to the Digital Addressable System requirements forms the backbone of the DAS Regulations itself. By exempting any DPO from compulsory annual audits, the very essence of the DAS regulations might be defeated and such leeway for a particular category of DPO might result in fragmentation of the "bigger" MSOs and chances of non-compliance of even basic DAS provisions could become rampant.

Qn2 A. 2. In case it is decided that small DPOs may be exempted from causing audit of their systems under Regulation 15(1), then should broadcasters be explicitly permitted to cause subscription audit and/or compliance audit of systems of such DPOs, to verify that the monthly subscription reports made available by the distributor to them are complete, true and correct?

i. If yes, what should be the mechanism to reduce burden on small DPOs that may result due to multiple audits by various broadcasters?

ii. If no, what should be the mechanism to verify that the monthly subscription reports made available by the small DPOs to the broadcasters are complete, true and correct?

Response:

We opine that DPOs should not be exempted from causing annual audit of their systems as per Regulation 15(1) as there are many DPOs who are already in Compliance of the Regulations and there is a greater need to ensure Compliance of the Regulations.

All DPOs whether “small” or “big” have been granted a Registration by the Ministry of Information & Broadcasting vide which such DPOs have been granted permission to retransmit the channels PAN India through a Digital Addressable System.

Further, the Permanent Registration of all DPOs have been conditionally granted by MIB (among others) *“subject to further adherence and compliance of the following terms and conditions:*

... (ii) MSO shall abide by the rules/ regulations/ orders/ directions/guidelines etc. issued by the regulatory authority or by this Ministry from time to time.”

Thus, there is already a provision for punitive action captured by MIB for DPOs who do not comply with the DAS Regulations (in this case cause annual Audits under Regulation 15(1)).

In case it is decided that differential treatment of DPOs based on subscriber base will need to be given, then, we opine that Broadcasters should be permitted to conduct only the Subscription Audit of such small DPOs under Regulation 15(2) and only in case any Broadcaster doubts the completeness/correctness/truthfulness of the MSRs submitted by any such category of DPOs.

The minimum requirement for conducting a Compliance (Technical) Audit must be enforced annually for all DPOs. All such small DPOs must compulsorily conduct the Compliance Audit of their systems by any empanelled auditor annually and submit the Compliance Report to TRAI.

Thus, to summarise, we opine that the following should be the approach in case a differential treatment is decided for DPOs:

- a. The Annual Compliance Audit should remain compulsory for DPOs of all categories and
- b. Allow the Broadcasters to conduct Subscription Audit of only the smaller DPOs (as decided by the Authority) and only in cases where the Broadcaster has reasons to doubt the completeness, correctness and truthfulness of the MSRs submitted by any such category of DPOs.

This will ensure that the burden on small DPOs that may result due to multiple audits by various broadcasters will also be reduced.

Qn2 B. If you are of the view that the small DPOs should not be exempted from the mandatory audit, then

i. how should the compliance burden of small DPOs be reduced?

ii. should the frequency of causing mandatory audit by such small DPOs be decreased from once in every calendar year to say once in every three calendar years?

iii. alternatively, should small DPOs be permitted to do self-audit under Regulation 15(1), instead of audit by BECIL or any TRAI empaneled auditor?

Response:

2 B (i) -

We have cited earlier, the reasons for which we feel that the compliance burden as it is today, is not big for any DPO (big or small). We feel that more stringent action for non-compliant DPOs should be the way forward.

In case it is however decided to reduce the compliance burden of certain category of DPOs (basis their subscriber numbers), then, to reduce the compliance burden of such DPOs and to ensure parity, either of the following methods could be adopted:

- **SUGGESTED METHOD 1:**

Choice of whether a DPO can conduct audit of their system under Regulation 15(1) should remain with the DPOs.

The DPOs (big or small) could be given an option of communicating/reporting officially to TRAI at the beginning of every calendar year (and within the first 3 months of that calendar year) as to whether they are willing to carry out Audit of their systems i.e. both Compliance and Subscription Annual Audits as per Regulation 15(1) in that calendar year.

In case the DPO is not willing/not responding, then, the Authority may instruct the Broadcasters to carry out the Audit of such systems as per Regulation 15(2) and submit such reports to TRAI.

For all DPOs who communicate their willingness to TRAI at the beginning of the year as per above and yet fail to conclude the DAS audit of that calendar year, then, appropriate punitive action against the DPO could be looked at by the Authority and the Ministry of Information & Broadcasting for such cases.

- **SUGGESTED METHOD 2**

Another alternate approach for attempting to reduce the compliance burden of DPOs under some category decided by the Authority could be as follows:

All DPOs (big or small) must **compulsorily conduct the Compliance Audit** of their systems by any empanelled auditor annually as per Regulation 15(1) and submit the Annual Compliance Report to TRAI.

For the conduct of Subscription Audit for DPOs less than a certain subscriber base (and in case decided to be exempted from Audits), the Broadcasters should be given the option to conduct the Subscription Audit under Regulation 15(2) only in case any Broadcaster has reason to doubt the completeness/correctness/truthfulness of MSRs submitted by any such category of DPOs.

2 B (ii) -

The frequency of DAS audits should not be decreased from once every calendar year. The reason for this is that it is a standard laid out by all Audits including financial audits that the period of validation of reporting and of systems must be annual.

Reducing this frequency again might be resulting in non-compliance of DAS regulations for a longer period which would defeat the essence of DAS Regulations.

2 B (iii) –

No. Self-audit is not a complete audit unless empanelled neutral auditors validate the authenticity of the systems. As such, all DPOs are operating in the Digital Addressable environment with the assumption that they would be Complying to the Regulations laid down and are submitting MSRs to Broadcasters from their own systems.

Audit ensures that there remains checks and balances in place to ensure Technical Compliance of the DAS Regulations (and Schedule III/Schedule X therein) as envisaged by the Authority and to ensure the completeness/correctness/truthfulness of the MSRs submitted by any DPO to the various Broadcasters.

Q3. As per the existing Interconnection Regulation, all the distributors of television channels have been mandated to cause audit of their system once in a calendar year. Should the existing provision of “calendar year” be continued or “financial year” may be specified in place of calendar year? Please justify your answer with proper reasoning.

Response:

As specified in the Regulations, the annual DAS audit has two components. One being the Compliance Audit and the other, the Subscription Audit. The Compliance Audit is completely focussed on the Compliance of the DPOs Digital Addressable Systems including CAS, SMS and STBs to the minimum specifications of Schedule III (or Schedule X in case of IPTV). The Subscription Audit of the DPO involves the verification of MSRs submitted vis-à-vis the SMS and CAS databases. Thus, we are of the opinion that the Annual Audit conducted by DPOs lean more towards the Technical Compliance and Technical aspects of the systems. Even while verifying the completeness/correctness/truthfulness of MSRs submitted by any DPO, the validation is carried out on the synchronicity of the CAS and SMS systems and on the reconciliation of the databases of each of these systems with the help of Data Analysis tools.

Any Financial Audit is carried out with respect to Income Tax and Corporate laws which has mandated that the financial accounts be based on the Financial Year system and as such should not be the benchmark for DAS Audits.

Thus, DAS Audits can continue to be scheduled once in a calendar year as it is currently without any alteration as is already being followed, for the reasons cited above.

Q4. As per the existing Interconnection Regulation, the annual audit caused by DPO under regulation 15 (1), shall be scheduled in such a manner that there is a gap of at-least six months between the audits of two consecutive calendar years and there should not be a

gap of more than 18 months between audits of two consecutive calendar years. Instead of above, should the following schedule be prescribed for annual audit?

i The DPOs may be mandated to complete annual audit of their systems by 30th September every year.

ii In cases, where a broadcaster is not satisfied with the audit report received under regulation 15(1), broadcaster may cause audit of the DPO under Regulation 15(2) and such audit shall be completed latest by 31st December.

iii In case DPO does not complete the mandatory annual audit of their systems by 30th September in a year, broadcaster may cause audit of the DPO under Regulation 15(2) from 1st October to 31st December year. This shall not absolve DPO from causing mandatory audit of that year by 30th September and render the non-complaint DPO liable for action by TRAI as per the provisions of Interconnection Regulation 2017?

Justify your answer with proper reasoning.

Response:

We are of the opinion that the following should be the prescribed timelines for conducting of the Annual Audit:

It should be mandated that the DPO must schedule Annual Compliance and Subscription Audit of its systems so that the Annual Compliance Audit and the Annual Subscription Audit (pertaining to the previous calendar year) must commence within 30th June of the current calendar year and the Audit Report must be shared with the Broadcasters within 30th September.

In case Broadcasters are not satisfied with the Audit Report, they must identify the specific issues as per Regulations/Audit Manual for which they are not satisfied with the Audit Report and communicate the same to the DPOs within 4 weeks of receipt of the Audit Report. DPOs must clarify technically and commercially and clear out any issues/doubts that the Broadcaster may have. If the issues/doubts are still not cleared out to the broadcasters' technical and commercial satisfaction, another 4 to 8 weeks' time may be allowed for both the parties to plan, prepare and cause audit under regulation 15 (2).

Q5. In case you do not agree with schedule mentioned in Q4, then you are requested to provide your views on the following issues for consultation:

i As per the existing Interconnection Regulation, the annual audit caused by DPO under regulation 15(1), shall be scheduled in such a manner that there is a gap of at-least six months between the audits of two consecutive calendar years and there should not be a gap of more than 18 months between audits of two consecutive calendar years. Does the above specified scheduling of audit need any modification? If yes, please specify the modifications proposed in scheduling of audit. Please justify your answer with proper reasoning.

ii For the audit report received by the broadcaster from the DPO (under regulation 15(1)), should the broadcasters be permitted to cause audit under regulation 15(2) within a fixed time period (say calendar year, including spilling over of such period to the next year?)

- If yes, what should be the fixed time period within which a broadcaster can cause such audit. Please support your answer with proper justification and reasoning.*
- If no, then also please support your answer with proper justification and reasoning?*

iii In case a DPO does not cause audit of its systems in a calendar year as specified in Regulation 15(1) then should broadcasters be permitted to cause both subscription audit and/or compliance audit for that calendar year within a fixed period (say 3 months) after the end of that calendar year?

- If yes, what should be the fixed time period (after the end of a calendar year) within which a broadcaster should be allowed to get the subscription audit and/or compliance audit conducted for that calendar year? Please support your answer with proper justification and reasoning.*
- If no, then also please support your answer with proper justification and reasoning?*

Response:

Annual audits are required for both Compliance as well as Subscription (MSR verifications). Mostly DPOs schedule both these audits together to ensure maximum utilisation of time and resources while complying with the Regulatory requirements. Whereas the Compliance Audit checks the compliance of the SMS, CAS, STBs and Fingerprinting requirements on the dates of Audit, the Subscription Audit pertains to a specific Audit Period specified by the DPO (that is post the Audit Period of the previously conducted Subscription Audit by the DPO). We have seen that such Audit Periods tend to pertain to the concluded calendar year or in some cases the concluded financial year. Due to these, we opine the following:

5 (i) –

The scheduling of audits with a gap of at least six months between the audits of two consecutive calendar years and no more than 18 months between audits of two consecutive calendar years requires no alteration.

5 (ii) –

The broadcasters should be permitted to cause audit under regulation 15 (2) within a fixed time period from the date of receipt of that report for that calendar year, including spilling over of such period to the next year. However, the Broadcasters must identify the specific issues as per the Regulations/Audit Manual for which they are not satisfied with the Audit Report and communicate the same to the DPOs within 4 weeks of receipt of the Audit Report.

DPOs must clarify technically and commercially and answer any issues/doubts that the Broadcaster might have raised, within 4 weeks of receipt of any Broadcaster's query.

If the issues/doubts are still not cleared out to the Broadcasters' technical and commercial satisfaction, then another 4 to 8 weeks' time may be allowed for both the parties to plan, prepare and cause audit under regulation 15 (2).

5 (iii) –

In case a DPO fails to commence the Annual Audit as per Regulation 15(1) within a fixed time frame, then, the Broadcasters can be permitted to conduct DAS Audit of such DPOs under 15(2). In our opinion, in case the DPO has not communicated commencement of the mandatory DAS Audit under 15(1) within six months of completion of the calendar year, then the Broadcasters should seek clarification on the same from the DPO. In case the DPO does not share any schedule for planned commencement of DAS Audit as per Regulation 15(1) within 4 weeks of receipt of such Broadcaster communication, then the Broadcaster should be allowed to conduct Audit of the DPO's system under Regulation 15(2) post providing a further 4 to 8 weeks' time to commence the Audit.

Q6. What measures may be adopted to ensure time bound completion of audits by the DPOs? Justify your answer with proper reasoning.

Response:

We feel that time bound commencement of audit by any DPO should be taken care of by our opinions and suggestions as mentioned earlier.

For the time bound completion of audits, we are of the opinion that the same is also dependent on the active participation and co-operation of the DPO's vendors during the conduct of any Audit at the DPOs premises. We have seen that some of the delays that are caused during the conduct of Audit are due to the lack of proper support available to the DPO from the respective vendors during the conduct of any Audit/lack of understanding of the Regulatory requirements by the respective vendors. This becomes specially challenging in scenarios where the previous commercial relation between the DPO and the concerned vendor has come to a stop for any reason whatsoever.

The Authority may direct the SMS, CAS and STB vendors of all DPOs to extend complete co-operation and support during Audit even if existing commercial relations do not exist between the parties as the systems deployed come under the purview of the Regulations and hence the vendors must ensure Compliance.

CHAPTER 3

Q7. Stakeholders are requested to offer their feedback on the amendments proposed in the Audit manual in this consultation paper (CP) in the format as given in Table 2.

Response:

S N o	Page number of the existing Audit Manual	Clause number of the existing Audit Manual	Do you agree with the amendmen t proposed in this CP (Yes/No)	If you do not agree with the amendment proposed in this CP, then provide amended Clause proposed by you	Reasons with full justification of your response
1	8	4.4	No	Take the declaration of DPOs regarding the IRDs deployed in the headend including serial/VC numbers. The Auditor shall physically check those IRDs +VCs deployed by the DPO during the audit which can only be verified without causing any sort of disruption of the live service of DPO.	For Decoders or PIRDS having a physical Viewing Card/CAM, it is not possible to verify the Card/CAM number without taking the same out of the decoder/PIRD. This results in disruption of services. For Cardless Decoders or PIRDS, it has been seen that the stickers bearing the serial numbers are often fixed at the bottom of the decoder. It has been encountered many times that the decoder loses power when it is flipped to confirm these stickers for verification. This again results in disruption of live service of DPO. Therefore, it is proposed that Auditors should only verify those decoder details which can be verified without touching moving the decoder or by pulling the Viewing Cards/CAMs out of them.
2	9	5.7	Yes		
3	9	5.8	Yes		
4	New Add	New Add	Yes		

S N o	Page number of the existing Audit Manual	Clause number of the existing Audit Manual	Do you agree with the amendmen t proposed in this CP (Yes/No)	If you do not agree with the amendment proposed in this CP, then provide amended Clause proposed by you	Reasons with full justification of your response
5	New Add	New Add	No	It may be noted that all simulations tests on STBs should be carried out on those STB models that have been deployed and activated by the DPO post October 2019 (i.e., post coming into effect of the Amendment Regulations). For this purpose, DPO must ensure that at least 2 STBs of each STB model, that have been deployed and activated by the DPO post October 2019, are available in the stock for the simulation tests.	The Addressable Systems Requirement as per "Schedule III (Refer sub-regulation (6) of the regulation 10 and regulation 15)" was effective from 30/10/2019 with the first Amendment of the Interconnection Regulation 2017. Hence Compliance Test for Audit under the provisions of regulation 15 should be applicable for only those STBs deployed after coming into the effect of the Amendment regulation in Oct 2019.
6	11	7.A.1	No	iii. Auditor to perform TS recording: i) At the Headend; ii) In the field at appropriate place. Auditor to analyse the TS streams to ascertain actual number(s) of CAS running in the network and compare with the declaration of CAS systems made as part of the Compliance Audit Form submitted to the Auditors by the DPO at the start of the audit process. Auditor to record discrepancy, if any. DPO should sign the record wherein Auditor has noted the discrepancy, if any. In case DPO refuses to sign, the Auditor should record the same.	Verifications vis-à-vis Broadcaster's signed agreement should be carried out by the Broadcasters against the Audit Report received by them. Further, even after signing of an agreement, new systems might have been deployed by the DPO and the Audit Report will duly capture the same in any case. Auditor should only record and Report discrepancies (if any) between the CAS systems declared by the DPO in Compliance Audit Form and the same observed in the TS Recorded from DPO's Headend and Network. Such discrepancies along with an explanation for it may be captured as part of DPO's signed Self Declaration.

S N o	Page number of the existing Audit Manual	Clause number of the existing Audit Manual	Do you agree with the amendmen t proposed in this CP (Yes/No)	If you do not agree with the amendment proposed in this CP, then provide amended Clause proposed by you	Reasons with full justification of your response
7	16	7.A.12 and 7.A.13	Yes		
8	17	7.A.14	Yes		
9	20-21	7.B.1	Yes		
10	21	7.B.2	Yes		
11	23	7.B.11	Yes		
12	24	7.B.14	Yes		
13	26	7.C.8	Yes		
14	26	7.C.9	Yes		
15	27	8.1	Yes		
16	27	8.3	Yes		
17	27	8.5	Yes		
18	27	8.7	Yes		
19	New Add	New Add	Yes		
20	29-30	10.3	Yes		
21	31	11.6	Yes		
22	New Add	New Add	Yes		
23	33	14 (a)	Yes		
24	34	15 (a)	Yes		
25	34	15 (b)	No	The auditors are required to complete the subscription audit and submit report within four weeks from the date of first audit visit of DPO with subscriber base below 5 lakhs. Additional one week time may be taken for each headend in case of more than one headend.	There are DPO's with subscriber base below 5 lakhs but have more than one headend and which are geographically far spaced. Hence for such cases additional one week time for each headend should be allowed.
26	34	15 (c)	Yes		
27	New Add	New Add	Yes		
28	37-38	18.A.2	Yes		
29	New Add	New Add	Yes		
30	42	18.C.14	Yes		

S N o	Page number of the existing Audit Manual	Clause number of the existing Audit Manual	Do you agree with the amendmen t proposed in this CP (Yes/No)	If you do not agree with the amendment proposed in this CP, then provide amended Clause proposed by you	Reasons with full justification of your response
31	New Add	New Add	No	In case Auditor has used its own laptop for an audit, then Auditor shall preserve the entire data of the DPO (in any form of data storage mechanism as deemed fit by the auditor) till at least one year after that audit. This is in case DPO had no objection to auditor using its own laptop and DPO permits auditor to take data outside its premises. Besides, in such cases, DPO shall also preserve entire data given to auditor and/or extracted by auditor, till at least one year after that audit.	The data extracted during an audit takes significant storage space in the laptop. Auditors usually use their own laptop for multiple audits. After analysis of the data, a copy of the entire Data might be needed to be stored securely on some external storage device or Secure FTP or Cloud storage and then deleted from the auditors Laptop to free up storage space. Hence, the focus should be on preserving the data by any appropriate means for at least one year and not necessarily preserving the data in that particular laptop used by the auditor.
32	77	Annex 7	Yes		
33	82	Annex 7	Yes		
34	83	New Add	Yes		

CHAPTER 4

Q13. In case CAS and SMS are shared amongst service providers,

i what provisions for conducting audit should be introduced to ensure that the monthly subscription reports made available by the distributors (sharing the infrastructure) to the broadcasters are complete, true, and correct, and there are no manipulations due to sharing of CAS/DRM/SMS?

ii should a broadcaster be allowed to simultaneously audit (broadcaster-caused audit) all the DPOs sharing the CAS/DRM/SMS, to ensure that monthly subscription reports are complete, true, and correct in respect of all such DPOs, and there are no manipulations due to sharing of CAS/DRM/SMS? Support your answer with proper justification and reasoning.

Response:

In case if the CAS and SMS are shared amongst service providers, then, to ensure that the monthly subscription reports made available by the distributors (sharing the infrastructure) to the broadcasters are complete, true, and correct, and there are no manipulations due to sharing of CAS/DRM/SMS, we opine the following:

Audits (both under regulation 15 (1) and 15 (2)) of the Infrastructure Provider and the Infrastructure Seeker(s) should be done simultaneously so that complete data dumps can be extracted from the shared CAS and SMS systems simultaneously and the entire universe of STBs (along with all entitlement records) can be divided amongst the service providers based on the unique identifier/differentiator defined in the shared CAS and SMS systems.

Q15. In light of infrastructure sharing, does clause 4.5 of the existing Audit Manual require any amendment? If yes, please suggest the amended clause. Please provide proper justification for your response. If no, then also please support your answer with proper justification and reasoning?

Response:

In our opinion clause 4.5 of the existing Audit Manual doesn't require any amendment in light of infrastructure sharing.

Irrespective of infrastructure sharing, Transport Stream (TS) wise number of EMMs configured and Service wise number of ECMs configured in each TS needs to be verified in order to ensure that every service has its unique ECM stream for each CAS present in simulcrypt and none of the services are sharing a common ECM Stream.

This ensures compliance with Clause C(10) of Schedule III of the Interconnection Regulations 2017, which states: *"The CAS and SMS should be capable of individually addressing*

subscribers, for the purpose of generating the reports, on channel by channel and STB by STB basis".

It will not be possible to address subscribers on Channel-by-Channel basis unless each Channel (i.e. service) has its unique ECM Stream for each CAS configured in MUX.

Q16. In light of the infrastructure sharing guidelines issued by MIB, should clause 5.3 and clause 5.4 of Audit Manual be amended to read as follows:

"5.3 Certificate from all the CAS vendors (Format as in Annexure 1).

5.4 Certificate from SMS vendors (Format as in Annexure 2).

Note: In case of Infrastructure sharing, all the certificates/ documents related to CAS and SMS, should be given by the infrastructure provider distributor on the basis of certificate issued to it by CAS and SMS vendor."

Response:

Yes, we agree and in our opinion these changes should be implemented in the Audit Manual clauses as stated above.
