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◆ **AIDCF**
ALL INDIA DIGITAL CABLE FEDERATION

<u>Response of All India Digital Cable Federation to the Consultation Paper on The Telecommunication (Broadcasting and Cable) Services Addressable Systems Audit Manual</u>

We thank you for giving the stakeholders an opportunity to share their views on the subject matter under consultation.

Please find below our views on the questions raised in the said Consultation Paper.

Q1. **Whether it should be mandatory for every DPO to notify the broadcasters (whose channels are being carried by the DPO) for every change made in the addressable system (CAS, SMS and other related systems)?**

AIDCF Response: - In our opinion, CAS /SMS are integral part of the addressable system and depending upon the market requirement, there are updates happening to both on a routine basis. These changes have no business/commercial impact on the Broadcasters and are of technical nature to ensure smooth functioning of the systems. Informing the Broadcasters about all and every little change in these would entail extra burden on the DPO's. At the same time any wholesome change like installing new SMS/CAS deployed by the DPO's should necessarily be informed to the Broadcasters, whose channel are being run by the DPO's within 15 days of such change.

Q2. **Whether the Laptop is to be necessarily provided by the Auditee DPO or the Audit Agency may also provide the Laptop? Please provide reasons for your comment.**

AIDCF Response: - Yes, The DPO shall provide a laptop/desktop ("Device") as specified in Annexure 1 of the Consultation Paper for the purpose of the audit. Only in cases where the DPO is unable to provide the Laptop of desired configuration, the audit agency/auditor should be allowed to use their own Laptop for the purpose of the audit. At the same time, in the cases where audit agency/auditor is using his own laptop, the same should not leave the premises of the DPO till the report is published by the auditor. Also, during the audit period, the laptop being used by the Auditor, should not have any internet connectivity and should be used offline. In case the auditor/audit agency wants to use any proprietary software, it should be installed in front of the DPOs at its premises only to be used during the audit period

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Q3. **Whether the Configuration of Laptop vide Annexure 1 is suitable? If not, please provide alternate configuration with reasons thereof.**

AIDCF Response: - The configuration of the Device as per Annexure-1 is sufficient for the purpose of audit.

Q4. **Do you agree with the provisions regarding seeking of TS recording and ground sample information from IBF/ NBA for verification/ checking by the Auditor?**

AIDCF Response: - Required TS recording and ground sample information may be provided through IBF/NBA for verification by the auditor. Such samples should be of a minimum defined size as per the size of the DPO being audited. We suggest a minimum sample size as per below table:

Subscriber Size of the DPO	Suggested Sample Size
Less than 10,000	500
Between 10,001 and 100,000	2,000
Between 100,001 and 1,000,000	10,000
Between 1,000,001 and 5,000,000	25,000
Above 5,000,001	50,000

The size of the sample needs to be defined by the Regulator while framing the Audit Manual. Ground sample information may also be obtained from competing DPOs where possible.

Q5. **Do you agree that Data Dump may be cross-checked with weekly data of sample weeks basis? If yes, do you agree with checking of random 20 % sample weeks? Please support your comments with justification and statistical information**.

AIDCF Response: - In our view, data dump may be cross checked with data of sample weeks, however the % of sample should depend on size of DPOs. For DPOs having subscriber base below 5 Mn, it should be 20%, while for DPO's having subscriber base of more than 5 Mn, 10% sample size of such weeks will be sufficient to ensure the veracity of the reports submitted to broadcasters.

Q6. **Do you agree with the proposed Data extraction methodology? If not, suggest alternates with reasoning thereof.**

AIDCF Response: - We have some reservations in the proposed data extraction methodology which have been detailed below along-with possible resolutions.

Clause No.	Issue	Possible Resolution
III (a) of the Consultation Paper	Admin/ Super Admin access to auditors cannot be provided as they are very vital and even a minimal misuse of the same can be fatal and hence cannot be allowed.	The DPO may login to the systems in the presence of the auditors using the Admin/Super admin ID and perform such function as may be requested by the Auditor.
III (b) of the Consultation Paper	Due to limitations in some of the legacy CAS systems, live extraction of data may not be possible. This is primarily due to support issues from legacy CAS service providers who are unable to further develop or upgrade their systems.	In such cases, CAS logs should be extracted on a daily basis and stored securely. Such storage should compulsorily log any changes to the stored files.

Q7 Do you agree with verification and reporting of City-wise, State-wise and Head-end wise subscription report? Please provide supporting reasons/ information for your comment.

AIDCF Response: - We strongly disagree with reporting and verification of City-wise, State-wise and Head-end wise subscription reports. The reporting formats as provided in Schedule VII of The Telecommunication (Broadcasting and Cable) Service Interconnection (Addressable Systems) Regulation 2017 are sufficient for the broadcasters for the purpose of raising subscription invoices. Since the Regulations do not provide for any differential pricing based on city, state, or geography, such reports are not relevant to the broadcasters for any purpose. However, if any DPO's have agreed to provide any such report with any Broadcasters to avail their incentives etc., it should be left to the mutual understanding between such DPOs and Broadcasters but should not form part of the Audit Manual. The Audit Manual in our opinion should be within the four corners of the regulation.

Further the bifurcation of City/state/head endwise is available only in the SMS system and reconciliation with CAS would not be possible since no such tagging/data is available in CAS systems. Hence there is no need to have any report drawn City-wise, State-wise and Head-end wise.

Q8. Do you agree with the tests and procedure provided for checking covert and overt fingerprinting? Provide your comments with reasons thereof?

: - We agree with the tests and procedures as provided. However, the mechanism for checking covert fingerprinting has to be devised and arranged by the auditor since this may involve specialized equipment to verify. Covert is not part of STB Property and hence should not be part of STB Certificate. STB Certificate should be as per BIS only.

Q9. **Any other suggestion/ comments on the provisions or methodology proposed in the Audit Manual.**

Transition Period

We suggest that the auditors may consider the period from 1st February 2019 to 31st March 2019 as a transition phase from the earlier regime to the New Regulatory Regime. As such, the conclusions of the audit for the current calendar year (i.e. 2019), may have variations for the months of February and March 2019.

Network Audit

As mentioned in Clause 4.1 (vi) of the Consultation Paper, a Network Audit is required to be conducted at the time of the audit. The required Network Audit is mandated to include a self-declaration by the DPO of the Network Configuration and Territory/Areas covered by each head-end. Such a Network Audit is not acceptable to us since it is irrelevant for the broadcasters to know the network arrangement/configuration. It does not have any commercial impact on the broadcasters or any bearing on the reported numbers and should be excluded from the scope of audit.

4.2(B)(II) (10)

Inventory of all the VC/UA/Mac ID from the SMS server for the last 2 years

The inventory details are internal to the DPOs and has nothing to do with the subscription audit. The DPOs have been procuring STB's over the years and have been seeding the same in their territory. However, lot of STB's after seeding on the ground have get lost /swapped. The DPO's are required to pay to the Broadcasters on the Basis of active STB's in the SMS and not on the basis of STB's in their inventory. Hence in our opinion, there is no need to provide such inventory to Auditor during subscription audit.

Schedule III B13.

The watermarking network logo for all pay channels shall be inserted at encoder end only.

It should not be made compulsory for logo to be inserted from Encoder only. As has been highlighted before also to the authority that currently the same is done from STB and doing the same would require DPO's to invest huge amount in CAPEX and hence it should not be made compulsory currently.

Schedule III A4

The distributor of television channels shall validate that the CAS, in use, do not have facility to activate and deactivate a Set Top Box (STB) directly from the CAS terminal. All activation and deactivation of STBs shall be done with the commands of the SMS.

All the current CAS system have the feature/ facility to activate the VCs directly and hence such declaration cannot be given. However, DPO's to declare that they do not encourage / practice such activations.

Schedule III A11

Physically verify CAF/ SAF forms of customers activated in last 6 months with all customers entered in SMS

In our view, physically verifying all CAF/SAF of customers activated in last 6 months can be a tedious and time-consuming process and would lengthen the time of the audit. Hence 20% sample size for the same should suffice.

Schedule III C7

There should be provision for global messaging, group messaging and the individual STB messaging. Auditor should trigger scroll to all STBs and confirm it is displayed on all test STBs.

Currently functionality of individual STB messaging through scroll is not present with most of the DPOs. Induvial STB messaging through scroll would again require investment of huge amount in capex, which in our opinion would put unnecessary financial strain on the already financially bleeding DPO's. There are different method already exiting like sending Bmail etc. which can serve the purpose. Further, the authority may allow OSD to be sent to individual subscriber, subject to the condition that it is displayed at the bottom of the screen.

ABOUT

All India Digital Cable Federation (AIDCF) is India's apex body for Digital Multi System Operators (MSOs). The federation works towards the overall growth of the sector and creates an environment for not only complete digitisation of cable TV under regulatory guidelines but also delivers the benefits of digital services including broadband and other value added services to the people of India thus fulfilling the dream of 'True Digital India.'

AIDCF is the official voice for the Indian digital cable TV industry and interacts with ministries, policy makers, regulators, financial institutions and technical bodies. It also provides a platform for discussion and exchange of ideas between these bodies and the service providers, who share a common interest in the development of digital cable TV in the country. It also collaborates with other industry associations such as IBF, CII, FICCI, ASSOCHAM association etc., with the objective of presenting an industry consensus view to the government on crucial issues relating to the growth and development of the industry.

Members of AIDCF have a market share of more than 75% in the Cable TV Industry.