

TRAI Issues for Consultation

Consultation Paper on The Telecommunication (Broadcasting and Cable) Services Digital Addressable Systems Audit Manual - 29th March 2019

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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)?

Recommendation:

- We believe that changes of major nature (a distinction between major and minor will need to be listed out after discussions with DPOs and Broadcasters) should be informed to every broadcaster. Changes of major nature could be
 - Any modification in CAS or SMS
 - Overhauling of their SMS system
 - Any change in the packaging of channels etc
- Since it is the obligation of all DPOs to submit audited statements, smaller changes may only crowd and create extra load of work

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.

Recommendation :

There should be a combination of choices and the flexibility to choose should be left with the auditors. Auditors should be provided with laptops for those involved in an audit if Auditors so request. At many a times, individuals are more used to their own laptops (Make). In such cases should the provided laptop by DPOs be different, it will act as an impediment in work of the auditors. Auditors should also be given the liberty of carrying their own laptop – hence it could be a combination of some laptops which will be carried by the Auditors and some which will be provided by DPOs at the request of the Auditors.

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

Recommendation:

Should be left to the auditors, as long as the functionality supports the data availability

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?

Recommendation:

To authenticate the conclusions and findings from SMS and CAS, it will be a full proof support if they are also cross verified with the findings from the ground. The cross verification will be important as long as they can be linked either vide the Customers IDs or STB numbers, or else this will create confusion.

Hence, what will be important is for IBF/NBA to put in place systems which will correctly record the footage without any bias. More importantly the system should be such that data collected should be able to sustain verification for all channels.

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.

Recommendation

Auditors should check 100% data of at least 2 weeks a month for the random sample selected. The random sample could be 20% for smaller operators but should be 10% for large operators having subs base of > 50 lakhs. A 10% random sample would mean 5 lakh subscribers and checking their data across the year (ie 12 weeks for the year) would be a huge task. The task could be even more complicated for the larger MSO.

Hence, we believe, there should be various percentages for different sizes of DPOs. A possibility could be as below

5% for DPOs having subs > 1 cr

7.5% for DPOs having subs >50 lakhs and <1 cr

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10% for DPOs having subs >10 lakhs and < 50 lakhs
15% for DPOs having subs >1lakh and < 10 lakhs
20% for the rest

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

Recommendation

No comment

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.

Recommendation

Yes we believe that verification should be at least Headend wise even if not Citywise or Statewise. The primary reason for this is all DPOs could have different packages/bouquets which they will be broadcasting from each of their headend. While there will be no change in Broadcaster packages, the packages/bouquets offered by DPOs could be different depending upon their customers. A best fit or a MSO package for a particular MSO at Delhi could be different from that of Chennai. Hence, the control and verification will be more authentic if the source is taken as a Headend

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

Recommendation

While it is easy to see the visible finger printing, the auditors maynot be able to check the covert finger printing. In such a case there is no chaoice but to rely on certification from the STB OEMs. However, this certificate will have authenticity only if OEM can provide the recent/latest certificate of that head end and certify that the systems are working. There is possibility of tampering on old (more than 3 months) certificates provided by OEMs.

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

Recommendation

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It is not an easy task to audit a complicated system/structure like the SMS/CAS/Headend of a MSO, specially the large ones. While a good attempt is being made through these rules/procedures that are being implemented, there will be a lot of learning at every stage of the audits.

Recommendation

The two issues that could help smoothen

- Appoint a task force centrally to answer/address any doubts/questions in the minds of the Auditors. The responses should be quick for the Auditors to take corrective actions by the Auditor or else it will become futile
- While the TRAI has laid down timelines for completion, it is in everyone's interest to complete a project. But Auditors should be given the leeway to take a little longer should there be complications in completing the audit.
- It is in the interest of independence and competition that remuneration of auditors are fixed from before. Negotiation with clients will lead to compromise of independence. Needless to say, unless proper remuneration is received by auditors, talent required for such audits will be missing and will defeat the purpose.
- To maintain independence of auditors it may even be a good idea for TRAI to be appointing auditors for different clients on a rotational basis, just as is being done in case of Bank Audits.