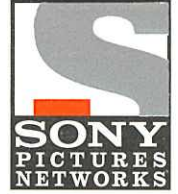


16th September, 2019



To,
Sh. Anil Kumar Bhardwaj,
Advisor (B&CS),
Telecom Regulatory Authority of India ('TRAI')
Mahanagar Doorsanchar Bhawan,
Jawaharlal Lal Nehru Marg,
New Delhi – 110002

Emails: advbcs-2@traigov.in / sapna.sharma@traigov.in.

Ref: Draft of the Telecommunication (Broadcasting and Cable) Services Interconnection (Addressable Systems) (Amendment) Regulations, 2019.

Dear Sir,

At the outset, we would like to thank TRAI for providing us the opportunity to participate on this consultation process regarding the draft Telecommunication (Broadcasting and Cable) Services Interconnection (Addressable Systems) (Amendment) Regulations, 2019. Please find enclosed herewith our written submissions in this regard.

For the sake of convenience, we have commented below the respective provisions of the draft and have also tried to provide our justification for the changes so proposed.

We hope that our submissions shall be considered favorably by TRAI while evaluating changes to be incorporated in Schedule – III to Telecommunication (Broadcasting and Cable) Services Interconnection (Addressable Systems) Regulations dated 03.03.2017.

Thanking you,

Yours sincerely,

For Sony Pictures Networks India Private Limited,

Legal Counsel



Encl: As above.

Sony Pictures Networks India Private Limited

CIN : U92100MH1995PTC111487

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Interface, Building No. 7, 4th Floor,

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Telecom Regulatory Authority of India



Draft

**THE TELECOMMUNICATION (BROADCASTING AND CABLE)
SERVICES
INTERCONNECTION (ADDRESSABLE SYSTEMS) (AMENDMENT)
REGULATIONS, 2019
(___ of 2019)**

27 August 2019

**Mahanagar Doorsanchar Bhavan,
Jawahar Lal Nehru Marg (Old Minto Road),
New Delhi – 110 002**

Written Comments on the Telecommunication (Broadcasting and Cable) Services Interconnection (Addressable Systems) (Amendment) Regulations, 2019 are invited from the stakeholders by 9th September, 2019. Please support your comments with detailed reasons and justifications. Comments will be posted on TRAI's website www.trai.gov.in. The comments may be sent, preferably in electronic form, to Sh. Anil Kumar Bhardwaj, Advisor (B&CS), Telecom Regulatory Authority of India, on the e-mail:- advbcs-2@traigov.in or sapna.sharma@traigov.in. For any clarification/information, Sh. Anil Kumar Bhardwaj, Advisor (B&CS) may be contacted at Tel. No.: +91-11-23237922, Fax: +91-11-23220442.

**TO BE PUBLISHED IN THE GAZETTE OF INDIA, EXTRAORDINARY,
PART III, SECTION 4
TELECOM REGULATORY AUTHORITY OF INDIA
NOTIFICATION**

**THE TELECOMMUNICATION (BROADCASTING AND CABLE)
SERVICES
INTERCONNECTION (ADDRESSABLE SYSTEMS) (AMENDMENT)
REGULATIONS,
2019
(___ of 2019)**

New Delhi, 27/08/2019

F. No. 21-6/2019-B&CS.— In exercise of the powers conferred by section 36, read with subclauses (i), (iii) and (iv) of clause (b) of sub-section (1) of section 11 of the Telecom Regulatory Authority of India Act, 1997 (24 of 1997), read with notification of the Central Government, in the Ministry of Communication and Information Technology (Department of Telecommunications), No. 39, —

- a) issued, in exercise of the powers conferred upon the Central Government under clause (d) of sub-section (1) of section 11 and proviso to clause (k) of sub-section (1) of section 2 of the said Act, and
- b) published under notification No. S.O.44 (E) and 45 (E) dated the 9th January, 2004 in the Gazette of India, Extraordinary, Part II, Section 3,—

the Telecom Regulatory Authority of India hereby makes the following regulations to amend the Telecommunication (Broadcasting and Cable) Services Interconnection (Addressable Systems) Regulations, 2017 (1 of 2017), namely:-

1. (1) These regulations may be called the Telecommunication (Broadcasting and Cable) Services Interconnection (Addressable Systems) (Amendment) Regulations, 2019 (___ of 2019).

(2) They shall come into force from the date of their publication in the Official Gazette.

2. For Schedule III of the Telecommunication (Broadcasting and Cable) Services Interconnection (Addressable Systems) Regulations, 2017, the following schedule shall be substituted, namely:-

“Schedule III

(Refer sub-regulation (6) of the regulation 10 and regulation 15)

Scope and Scheduling of Audit

(A) Scope: The annual Audit caused by Distributor shall include the Audit in compliance with this Schedule and the Subscription Audit.

Recommended revision:

1. The annual Audit caused by Distributor shall include the Audit to validate compliance with this Schedule and the Subscription Audit.
Ideally Broadcaster should have right to cause audit since its revenue depends on correct and accurate declaration of subscribers count. Authenticity of subscriber reports provided by DPO in a DPO caused audits are questionable in many cases thereby exposing the broadcasters to huge revenue losses.
2. Detailed audit methodology/steps, which are provided in Audit Manual are required to be followed.
3. The empanelled auditor shall have the right to seek / obtain directly any data / information / declaration from CAS and SMS vendors regarding audit requirements.
4. There should not be any filtering of data by DPO from CAS and SMS server for any reason whatsoever till the Audit report is prepared and released by the Auditor.
5. Empanelled auditor shall have access to complete data , logs of the CAS & SMS servers and Switches/ MUXs of the DPO's systems including the connected JV partners in the audits caused either by DPO or by Broadcaster.

Justification:

Audit Manual will maintain uniformity of audit process across empanelled auditors. Auditor's right to seek data / information directly from CAS and SMS vendors will provide independent visibility of systems deployed by DPO. For Broadcaster caused audits, DPO cannot be permitted to filter the data and logs of its systems broadcaster-wise; the Auditor shall perform the filtering as it deems required.

(B) Scheduling: The annual Audit caused by Distributor shall be scheduled in such a manner that there is a gap of at-least six months between the audit of two consecutive calendar years.

Recommended revision:

“The annual Audit caused by Distributor shall be scheduled in such a manner that there is a gap of at-least six months. Further there should not be a gap of more than 12 months between audits of two consecutive calendar years.”

Justification:

Wording in proposed amendment takes care of erroneous situation where DPO causes audits in two consecutive months (December of first calendar year and January of second calendar year). However, this does not take care of the other undesirous situation where DPO causes audit in January of first calendar year and then causes next audit in December of second calendar year i.e. there is a gap of 23 months between two consecutive audits. This long gap if allowed is detrimental to the interest of broadcasters for revenue assurance.

For example: First audit January 2020. Second Audit December 2021. Gap = 23 months.

“On intimation by auditor / broadcaster, the DPO shall ensure that the audit commences within 7 (seven) days and is completed with 15 (fifteen) days of audit commencement date. Failure to comply will attract the following penalties on the DPO:

1. First instance of failure: Penalty of such amount as may be prescribed by TRAI
2. Second instance: Cancellation of DAS license of DPO

The proposed amendments in Schedule III is silent on the critical matter of scheduling of audits. Given the magnitude of the audit requirement for the entire DPO universe, the keystone for success of the audits depends upon proper scheduling. To achieve its objectives scheduling should be such that the entire universe of DPOs is covered within the calendar year, no bunching up of audits should happen, the audits should be scheduled at random so that at no instance the auditee gets an opportunity to window dress its Systems.

The proposed amendments in Schedule III needs to clearly lay down the process of scheduling of audits.

The scheduling may follow below steps:

- a) It is proposed that the audits schedule be decided by either the TRAI or by broadcasters' bodies, such as IBF/NBA. Stratification of DPOs by subscriber base size – top 25, next 75, all others
- b) Random selection of DPOs to be audited from each of the above noted strata such that these are evenly distributed over the calendar year
- c) The auditee DPO to be informed not more than 15 days prior to the start of audit

Addressable Systems Requirements

(C) Conditional Access System (CAS) and Subscriber Management System (SMS):

1. The distributor of television channels shall ensure that the current version of the CAS, in use, do not have any history of hacking.

Explanation: A written declaration available with the distributor from the CAS vendor, in this regard, shall be construed as compliance of this requirement.

Recommended additions:

In the event hacking of the CAS system is detected such as but not limited to cloning of STBs / VCs, and informed to the CAS vendor, the CAS vendor must ensure that the hacking is resolved within reasonable time not exceeding one month in the systems deployed at all DPOs.

In the event of such detection, the same shall also be intimated by CAS vendor to DPO and TRAI, and the DPO in turn to inform all relevant broadcasters for impact assessment as well as remedial action with a copy to TRAI.

2. The SMS shall be independently capable of generating, recording, and maintaining logs, for the period of at least immediate preceding two consecutive years, corresponding to each command executed in the SMS including but not limited to activation and deactivation commands.
3. It shall not be possible to alter the data and logs recorded in the CAS and the SMS.
4. 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.

Recommendations-

Activation and De-activation facility from CAS should be disabled permanently. All the actions (Reactivation/Deactivation) to be initiated from SMS only.

Justification-

Since the SMS is a front end tool (software) and all the broadcaster reports are generated through SMS, all the actions to be initiated from SMS only, so that everything can be captured. Actions initiated from SMS hit CAS server and then

goes into STB. Since this is a one-way traffic and whatever we do directly on CAS doesn't reflect in SMS, this condition has to be implemented.

5. The SMS and the CAS should be integrated in such a manner that activation and deactivation of STB happen simultaneously in both the systems.

Explanation: Necessary and sufficient methods shall be put in place so that each activation and deactivation of STBs is reflected in the reports generated from the SMS and the CAS terminals.

6. The distributor of television channels shall validate that the CAS has the capability of upgrading STBs over-the-air (OTA), so that the connected STBs can be upgraded.
7. The fingerprinting should not get invalidated by use of any device or software.

Recommendations-

STB and CAS vendors should be made accountable if this feature is breached. If any device or software found altering STB's features, stringent penalties to be fixed to curb this menace.

Justification-

There are many CAS/ STBs in the market, which either don't display fingerprinting or can be altered using some devices and software. Due to this both DPO and Broadcasters suffer immensely.

8. The CAS and the SMS should be able to activate or deactivate services or STBs of at least Five percent (5%) of the subscriber base of the distributor within 24 hours.
9. The STB and Viewing Card (VC) shall be paired from the SMS to ensure security of the channel.
10. 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.
11. The SMS should be computerized and capable of recording the vital information and data concerning the subscribers such as:
 - a) Unique customer identification (ID)
 - b) Subscription contract number
 - c) Name of the subscriber
 - d) Billing address

Recommended Revision:

Billing address to include PIN, City, District and State.

Justification:

PIN Code, City, District and State-wise column identifiers are available in all SMS systems & included in CAF forms and hence to be included.

- e) Installation address
 - f) Landline telephone number
 - g) Mobile telephone number
 - h) E-mail address
 - i) Channels, bouquets and services subscribed
 - j) Unique STB number
 - k) (k) Unique VC number.
12. The SMS should be capable of:
- a) Viewing , printing and downloading (in PDF/Excel formats) of historical data in terms of the activations and the deactivations of STBs, which are extracted directly from live database of all servers .

Recommended Revision-

Viewing, printing and downloading of all the historical data in terms of the activation, deactivation channel/bouquet alterations of STBs. The downloading should be possible in pdf and excel formats.

Justification-

Only viewing and printing doesn't help in audit analysis. For the purpose of analysis, the system should be able to generate the reports in Excel/ pdf formats. System should facilitate in generating all such reports in excel as well as in pdf formats. Also the same needs to be carried out directly from live database of all the servers. This is necessary to enable the broadcasters to obtain authentic data, which can be relied upon.

- b) Locating each and every STB and VC installed.

Recommendation:

SMS should be able to generate a report having all the information of given subscriber with complete address, phone number/ mob number, packages/ channels selected, monthly subscription being paid (including historical data) and his hardware details.

Justification-

The above recommendation enhances the transparency and helps in locating the required subscribers. Without proper tagging of subscriber details to the STB, it becomes difficult to identify the box in SMS/CAS. This yields into confusion and suspicion in the entire eco system. Auditor needs to understand the exact locations of STBs and the channels opted by the subscriber etc to verify the data.

- c) Generating historical data of changes in the subscriptions for each subscriber and the corresponding source of requests made by the subscriber.

Recommendation-

DPO system (SMS/ CAS) should be capable of recording all the alterations/ changes made by the subscriber to his bouquet/ ala carte channels time to time. Such actions to be recorded with date and time stamps by the system for the last 24 months. If such actions are done by the LCO/DPO, then the subscriber request (letter/mail) to be attached with action. All these changes along with requests to be able to generate from the system for last 24 months.

Justification-

This is the essence of the regulation and such changes/ alterations required to be captured in the reports. They are vital tools in the validations during the audits.

- 13. The SMS should be capable of generating reports, at any desired time about:

Recommended revision:

The SMS should be capable of generating reports in un-editable format/pdf and in addition, in excel or csv format, at any desired time about:

- (i) The total number of registered subscribers.
- (ii) The total number of active subscribers.
- (iii) The total number of temporary suspended subscribers.
- (iv) The total number of deactivated subscribers.
- (v) List of blacklisted STBs in the system.
- (vi) Channel and bouquet wise monthly subscription report in the prescribed format.
- (vii) The names of the channels forming part of each bouquet.
- (viii) The total number of active subscribers subscribing to a particular channel or bouquet at a given time.
- (ix) The name of a-la carte channel and bouquet subscribed by a subscriber.

- (x) The ageing report of active and de-active subscribers for subscription of a particular channel or bouquet.

Recommended Additions:

In addition to the modification to be carried out in (x) above, we would also recommend the following additional points to be included:

- (xi) The total number of active STBs for testing/demo purpose and should reflect in total active STB report.
- (xii) The total number of active subscribers with multiple STBs.
- (xiii) SMS should be able to maintain all historical monthly packages/Bouquet Logs including alteration logs, when the packages/bouquets are modified
- (xiv) The CAS should have historical SID and Product ID mapping detail.
- (xv) Channel to package mapping /composition logs along with service ID including for Historical period
- (xvi) Complete pack activation /deactivation logs.

Justification for inclusion of aforesaid additional points:

DPOs provide the MSRs inter-alia for each bouquet/package. However the Broadcasters have observed that they do not maintain the alteration logs for the same. In the absence of such alteration logs auditors will not be able to ascertain the actual subscriber counts. Also, DPOs generally insist that they would provide logs by truncating the same. However, truncated logs contain incomplete data and is susceptible to be misused by DPOs. Also, veracity of truncated logs will always be doubtful. We believe that the aforesaid additional points would take care of these issues to a great extent.

- 14. The CAS shall be independently capable of generating, recording, and maintaining logs, for the period of at least immediate preceding two consecutive years, corresponding to each command executed in the CAS including but not limited to activation, and -deactivation commands, issued by the SMS.

Recommended revision:

The CAS shall be independently capable of generating, recording, and maintaining logs, for the period of at least immediate preceding two consecutive years, corresponding to each command executed in the CAS including but not limited to activation, deactivation and changes in Package composition commands with date & time stamp ,issued by the SMS.

Justification:

Without this log, during audit it will be impossible to know channel(s) added / removed from package. Besides, logs of any creation or deletion of any specific

service ID (channel/Product/Package) shall be generated in the CAS and same shall be produced for auditor's review

15. The CAS shall be able to tag and blacklist VC numbers and STB numbers that have been involved in piracy in the past to ensure that such VC or the STB cannot be re-deployed.
16. It shall be possible to generate the following reports from the logs of the CAS:

Recommendation revision:

It shall be possible to generate the following reports from the CAS

Justification:

Reports from CAS would give us additional validation point during audit

- a) STB-VC Pairing / De-Pairing
- b) STB -VC Activation / De-activation
- c) Channels Assignment to STB
- d) Report of the activations or the deactivations of a particular channel for a given period.

Recommendation revision: the following points to be added:

- a) Changes in Package composition
- b) Historical alteration of product (package channel composition) detail
- c) The total number of deactivated STB/VC.
- d) List of blacklisted STBs in the system.
- e) Channel to package mapping along with service ID including Historical period
- f) Channel to package mapping / composition logs
- g) Complete pack activation /deactivation logs.

Justification for the inclusion of the aforesaid points:

Without changes in package composition, during audit it will be impossible to know channel(s) added / removed from package. DPOs provide the monthly subscriber report inter-alia for each bouquet/package, however they do not maintain the alteration logs for the same, in absence of such alteration logs auditors will not be able to ascertain the actual subscriber count before such modification being effectuated. Also, DPOs generally insist that they would provide logs by truncating the same however, truncated logs contain incomplete data and is susceptible to be misused by DPOs. Also, veracity of truncated logs will always be doubtful.)

17. The SMS shall be capable of generating bills for each subscriber with itemized details such as the number of channels subscribed, the network capacity fee for the channels subscribed, the rental amount for the customer premises equipment, charges for pay channel and bouquet of pay channels along with the list and retail price of corresponding pay channels and bouquet of pay channels, taxes etc.
18. The distributor shall ensure that the CAS and SMS vendors have the technical capability in India to maintain the systems on 24x7 basis throughout the year.

Recommended revision:

The distributor shall ensure that the CAS and SMS vendors have the technical capability in India to maintain the systems on 24x7 basis throughout the year. The DPO to maintain CAS and SMS downtime records along with MTBF (Mean Time Between Failure) and MTTR (Mean Time To Restore) validated by CAS and SMS vendors

Justification:

During audits DPO many times claim that the systems are not working and also were not working in the past. This is to ascertain that the requisite systems are available during audit so as to ensure that the audit process is effectively carried out.

19. The distributor of television channels shall declare the details of the CAS and the SMS deployed for distribution of channels. In case of deployment of any additional CAS/ SMS, the same should be notified to the broadcasters by the distributor.
20. Upon deactivation of any subscriber from the SMS, all programme/ services shall be denied to that subscriber.
21. The distributor of television channels shall preserve unedited data of the CAS and the SMS for at least two years.

Recommendation:

The distributor of television channels shall preserve unedited data including all the transaction log history of the CAS and the SMS for at least two years

Recommended addition:

22. The DPO shall provide the monthly subscriber reports to Broadcaster in prescribed format in un-editable form. In addition, the same monthly report shall be provided to broadcaster in editable excel format.”

Justification:

Broadcasters need to analyse the subscriber reports, therefore editable reports are required in addition to un-editable reports.

(D) Fingerprinting:

1. The distributor of television channels shall ensure that it has systems, processes and controls in place to run finger printing at regular intervals.
2. The STB should support both visible and covert types of finger printing. Provided that only the STB deployed after coming into effect of these regulations shall support the covert finger printing.
3. The fingerprinting should not get invalidated by use of any device or software.
4. The finger printing should not be removable by pressing any key on the remote of STB.
5. The finger printing should be on the top most layer of the video.
6. The finger printing should be such that it can identify the unique STB number or the unique VC number.
7. The finger printing should appear on the screens in all scenarios, such as menu, Electronic Programme Guide (EPG), Settings, blank screen, and games etc.
8. The location, font colour and background colour of fingerprint should be changeable from head end and should be random on the viewing device.
9. The finger printing should be able to give the numbers of characters as to identify the unique STB and/or the VC.
10. The finger printing should be possible on global as well as on the individual STB basis.
11. The overt finger printing should be displayed by the distributor of television channels without any alteration with regard to the time, location, duration and frequency.
12. Scroll messaging should be only available in the lower part of the screen.
13. The STB should have a provision that finger printing is never disabled.
14. The watermarking network logo for all pay channels shall be inserted at encoder end only.

Provided that only the encoders deployed after coming into effect of these regulations shall support watermarking network logo for all pay channels at the encoder end.

Recommended revision:

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

Provided that only the encoders deployed after coming into effect of these regulations shall support watermarking network logo for all pay channels at the encoder end. Further, provided that all the encoders deployed shall support watermarking network logo for all pay channels at the encoder end by sunset date of 1st July 2020.

Justification:

All existing encoders of pay channels in the headends should be upgraded to support watermarking logo within a defined date.

(E) Set Top Box (STB):

1. All STBs should have a Conditional Access System or Digital Rights Management (DRM) for content protection.
2. The STB should be capable of decrypting the Conditional Access messages inserted by the Head-end. In case of DRM, the STB should be capable of decrypting the messages inserted by the DRM.
3. The STB should be capable of doing finger printing. The STB should support both Entitlement Control Message (ECM) and Entitlement Management Message (EMM) based fingerprinting. In case of DRM, the STB should also be capable of doing finger printing and the STB should support both particular channel wise and all channel fingerprinting commands.

Recommended Revision-

In case of DRM, the STB and connected devices should also be capable of displaying finger printing and the STB should support both particular channel wise and all channel fingerprinting commands.

4. The STB should be individually addressable from the Head-end. In case of DRM, the STB should be individually addressable from the SMS/DRM.
5. The STB should be able to receive messages from the Head-end. In case of DRM, the STB should be able to receive messages from the SMS/DRM.
6. The messaging character length should be minimal 120 characters
7. There should be provision for global messaging, group messaging and the individual STB messaging.
8. The STB should have forced messaging capability including forced finger printing display.
9. The STB must be compliant to the applicable Bureau of Indian Standards.
10. The STBs should be addressable over the air to facilitate OTA software upgrade.
11. The STBs with facilities for recording the programs shall have a copy protection system

Recommended Revision:

The STBs should have copy protection system on its analog and digital outputs (Macro vision 7, High Bandwidth digital content protection (HDCP) & Digital Transmission content protection (DTCP) to curb piracy.

Justification:

Live and linear content is valuable than recorded content.

Recommended Additions:

12. The STBs must be geo tagged.
13. The STB should have any only input and output as per DVB C standard only.
14. The STBs with facilities for recording the linear content shall have following protection:
 - a) Content should get recorded along with finger printing, scroll message and water marking logo
 - b) Live finger printing and scroll message should display on play out of recorded content
 - c) The linear channel content should get recorded along with entitlement of particular channel and recorded channel should get disable in case particular channel is deactivated.
 - d) Recorded content should not be able to play out on any device including STB except for authorized STB from where content get recorded.

(F) Digital Rights Management and Subscriber Management System (SMS)

1. The distributor of television channels shall ensure that the current version of the DRM, in use, do not have any history of hacking.
Explanation: A written declaration available with the distributor from the DRM vendor, in this regard, shall be construed as compliance of this requirement.
2. The SMS shall be independently capable of generating, recording, and maintaining logs, for the period of at least immediate preceding two consecutive years, corresponding to each command executed in the SMS including but not limited to activation and deactivation commands.
3. It shall not be possible to alter the data and logs recorded in the DRM and the SMS.
4. The distributor of television channels shall validate that the DRM, in use, do not have facility to activate and deactivate a Set Top Box (STB) directly from the DRM terminal. All activation and deactivation of STBs shall be done with the commands of the SMS.
5. The SMS and the DRM should be integrated in such a manner that activation and deactivation of STB happen simultaneously in both the systems.
Explanation: Necessary and sufficient methods shall be put in place so that each activation and deactivation of STBs is reflected in the reports generated from the SMS and the DRM terminals.
6. The distributor of television channels shall validate that the DRM has the capability of upgrading STBs over-the-air (OTA), so that the connected STBs can be upgraded.

Recommended addition:

Insert clause: The fingerprinting should not get invalidated by use of any device or software

Justification:

To bring parity with Section C

7. The DRM and the SMS should be able to activate or deactivate services or STBs of at least 10% of the subscriber base of the distributor within 24 hours.

Recommended revision:

The DRM and the SMS should be able to activate or deactivate services or STBs of at least 5% of the subscriber base of the distributor within 24 hours.

Justification:

To bring parity with Section C

Recommended addition:

The STB and Viewing Card (VC) shall be paired from the SMS to ensure security of the channel.

Justification:

In the future, DRM based STBs may have VCs and to bring parity with Section C

8. The DRM 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.
9. The SMS should be computerized and capable of recording the vital information and data concerning the subscribers such as:
 - a) Unique customer identification (ID)
 - b) Subscription contract number
 - c) Name of the subscriber
 - d) Billing address
 - e) Installation address
 - f) Landline telephone number
 - g) Mobile telephone number
 - h) E-mail address
 - i) Channels, bouquets and services subscribed
 - j) Unique STB number (k) Unique VC number.
10. The SMS should be capable of:
 - a) Viewing and printing of historical data in terms of the activations and the deactivations of STBs.

Recommended Revision-

Viewing, printing and downloading of all the historical data in terms of the activation, deactivation channel/bouquet alterations of STBs. The downloading should be possible in pdf and excel formats.

Justification-

Only viewing and printing doesn't help in audit analysis. For the purpose of analysis, the system should be able to generate the reports in Excel/ pdf formats. System should facilitate in generating all such reports in excel as well as in pdf formats

- b) Locating each and every STB installed.

Recommendation Revision:

Locating each and every STB and VC installed.

Recommendation Addition:

SMS should be able to generate a report having all the information of given subscriber with complete address, phone number/ mob number, packages/ channels selected, monthly subscription being paid (including historical data) and his hardware details.

Justification:

The above recommendation enhances the transparency and helps in locating the required subscribers. Without proper tagging of subscriber details to the STB, it becomes difficult to identify the box in SMS/DRM. This yields into confusion and suspicion in the entire eco system. Auditor needs to understand the exact locations of STBs and the channels opted by the subscriber etc to verify the data. In the future, DRM based STBs may have VCs and to bring parity with Section C

- c) Generating historical data of changes in the subscriptions for each subscriber and the corresponding source of requests made by the subscriber.

Recommendation-

DPO system (SMS/ DRM) should be capable of recording all the alterations/ changes made by the subscriber to his bouquet/ ala carte channels time to time. Such actions to be recorded with date and time stamps by the system for the last 24 months. If such actions are done by the LCO/DPO, then the subscriber request (letter/mail) to be attached with action. All these changes along with requests to be able to generate from the system for last 24 months.

Justification-

This is the essence of the regulation and such changes/ alterations required to be captured in the reports. They are vital tools in the validations during the audits.

11. The SMS should be capable of generating reports, at any desired time about:
 - (i) The total number of registered subscribers.
 - (ii) The total number of active subscribers.
 - (iii) The total number of temporary suspended subscribers.
 - (iv) The total number of deactivated subscribers.
 - (v) List of blacklisted STBs in the system.
 - (vi) Channel and bouquet wise monthly subscription report in the prescribed format.
 - (vii) The names of the channels forming part of each bouquet.
 - (viii) The total number of active subscribers subscribing to a particular channel or bouquet at a given time.
 - (ix) The name of a-la carte channel and bouquet subscribed by a subscriber.
 - (x) The ageing report for subscription of a particular channel or bouquet.
12. The DRM shall be independently capable of generating, recording, and maintaining logs, for the period of at least immediate preceding two consecutive years, corresponding to each command executed in the DRM including but not limited to activation, and deactivation, commands issued by the SMS.

Recommended revision:

The DRM shall be independently capable of generating, recording, and maintaining logs, for the period of at least immediate preceding two consecutive years, corresponding to each command executed in the DRM including but not limited to activation, deactivation, *and changes in Package composition* commands with date and time stamps issued by the SMS.

Justification:

Without this log during audit it will be impossible to know channel(s) added / removed from package and to bring parity with Section C. Besides, logs of any creation or deletion of any specific service ID (channel/Product/Package) shall be generated in the DRM and same shall be produced for auditor's review

13. The DRM shall be able to tag and blacklist STB ID that has been involved in piracy in the past to ensure that such STB cannot be re-deployed.

Recommended revision:

The DRM shall be able to tag and blacklist STB ID *and* VC ID that has been involved in piracy in the past to ensure that such STB *and* VC cannot be re-deployed.

Justification:

In the future, DRM based STBs may have VCs and to bring parity with Section C

14. It shall be possible to generate the following reports from DRM:

Recommended revision:

Insert clause: (a) STB-VC Pairing / Depairing

Justification:

In the future, DRM based STBs may have VCs and to bring parity with Section C

- a) STB Activation / De-activation
- b) Channels Assignment to STB
- c) Report of the activations or the deactivations of a particular channel for a given period.

Recommended addition:

Insert (e) Changes in Package composition

Justification:

Without this log, during audit it will be impossible to know channel(s) added / removed from package and to bring parity with Section C

15. The SMS shall be capable of generating bills for each subscriber with itemized details such as the number of channels subscribed, the network capacity fee for the channels subscribed, the rental amount for the customer premises equipment, charges for pay channel and bouquet of pay channels along with the list and retail price of corresponding pay channels and bouquet of pay channels, taxes etc.
16. The distributor shall ensure that the DRM and SMS vendors have the technical capability in India to maintain the systems on 24x7 basis throughout the year.

Recommended revision:

The distributor shall ensure that the DRM and SMS vendors have the technical capability in India to maintain the systems on 24x7 basis throughout the year. The DPO to maintain CAS and SMS downtime records along with MTBF (Mean

Time Between Failure) and MTTR (Mean Time To Restore) validated by CAS and SMS vendors.

Justification:

During audits DPO many times claim that the systems are not working and also were not working in the past. This is to ascertain that the systems are available during audit

17. The distributor of television channels shall declare the details of the DRM and the SMS deployed for distribution of channels. In case of deployment of any additional DRM/ SMS, the same should be notified to the broadcasters by the distributor.
18. Upon deactivation of any subscriber from the SMS, all programme/ services shall be denied to that subscriber.
19. The distributor of television channels shall preserve unedited data of the DRM and the SMS for at least two years.”

(Sunil Kumar Gupta)
Secretary, TRAI

Note.1----- The principal regulations were published in the Gazette of India, extraordinary, Part III, Section 4 vide notification No. 21-4/2016-B&CS dated the 3rd March, 2017.

Note.2----- The Explanatory Memorandum explains the objects and reasons of the Telecommunication (Broadcasting and Cable) Services Interconnection (Addressable Systems) (Amendment) Regulations, 2019.

Explanatory Memorandum

1. A consultation paper on “Interconnection framework for Broadcasting TV Services distributed through Addressable Systems” was issued by TRAI on 4th May, 2016. This consultation process resulted in notification of the Telecommunication (Broadcasting and Cable) Services Interconnection (Addressable Systems) Regulations, 2017 (1 of 2017) dated the 3rd March, 2017 [herein after referred to as Interconnection Regulations 2017].
2. During the consultation undertaken to prepare the Audit Manual certain comments and observations reflect some issues in the Schedule III of the Interconnection Regulations 2017.

Scheduling of Audit

3. During the comments and discussion on the Draft Audit Manual many stakeholders have suggested that the authority should specify the schedule of audit for DPOs to ensure that the audit is held effectively and in a timely manner. Clause (1) of Regulation 15 of Interconnection regulation provides that a DPO will get audit completed once every year. Stakeholders that are desirous that the Authority may specify the audit schedule refer to the limited availability of auditors and also that if all DPOs chose to get their systems audited during the last quarter of a year, there will be a severe capacity constraint.
4. On the contrary, most of the DPOs have averred that being responsible stakeholders, they will get their systems audited properly and in a time-bound manner in compliance with the regulations. Further that the new audit regime helps the distributors in staving-off unwarranted audits by multiple pay broadcasters. Therefore, it is in their interest that they maintain a current and valid audit compliance all the time.
5. There is another argument as regards the gap between the two audits caused by the DPCs. One of the comment received by TRAI was that it is possible for a DPO to schedule audits of two different calendar years in consecutive months. That is first one in December of current year and next one in January of next calendar year. In such hypothetical cases, the systems of the distributor will remain out of the ambit of audit for a long period of 23 months. Given that audit is an important foundation in establishing the trust-based regime under the new regulatory framework, the authority considers that the annual Audit caused by Distributor shall be scheduled in such a manner that there is a gap of at-least two quarters between the audit of two consecutive calendar years.

Fingerprinting – Support for Overt and Covert fingerprinting in STBs

6. There are issues related to the availability of both overt and covert fingerprinting on all the STBs. Based on industry information, it has been ascertained that not all the deployed STBs provide both types of fingerprinting. Before the Interconnection Regulation 2017, the STBs with overt fingerprinting would suffice to comply with the regulation. Therefore, some of the distributors have represented that the set-top boxes deployed prior to the year 2017 does not support covert fingerprinting as they were not mandated by The Telecommunication (Broadcasting and Cable Services) Interconnection (Digital Addressable Cable Television Systems) Regulations, 2012. The BIS standards also did not mandate both overt and covert fingerprinting.
7. Quite-a-few number of distributors have requested the authority to review the schedule III of Interconnection Regulation 2017 in view of the above-mentioned inconsistency. These stakeholders are of the opinion that the system

requirement of covert fingerprinting specified in Interconnection Regulation 2017 should be applicable only on the set-top boxes which are deployed after the coming into effect of the Interconnection Regulation, 2017 and not on the boxes deployed before the regulation. Some stakeholders have opined that given that average life of an STB is around 3 years, all such old STBs will get retired within next two years.

8. Noting the inconsistency, the Authority is of the view that the STB deployed after coming into effect of Interconnection Regulation 2017 should only be mandated to support the covert finger printing.

Transactional capacity of CAS and SMS systems

9. Para 8 of Section A of the Schedule III of the Interconnection Regulations 2017 specifies that, 'The CAS and the SMS should be able to activate or deactivate services or STBs of at least 10% of the subscriber base of the distributor within 24 hours.'
10. While the requirement seems as reasonable, this puts an unwarranted investment on part of certain large DPOs. The issue becomes really alarming for most of the DTH service providers and top four to five MSOs. Each one of these operators have a subscriber base of more than five million customers. Hence, they have requested the authority to review this threshold limit.
11. In general, these large operators do not need to activate/ deactivate/ re-configure more than 1 % of their active subscribers on everyday basis. Therefore, the operators have represented that prescribing to deploy equipment to cater to 10% of activation/ deactivation is uncalled for.
12. However, some stakeholders have suggested that most of the subscribers are on monthly pre-paid packages these days and by the law of averages every customer is required to pay/ recharge once every month and may require to be configured at the SMS level once every month. Therefore, such stakeholders have argued that a minimum of 3.3 % capacity of CAS/ SMS is necessary. The Authority, having examined the issue, considers that the CAS and the SMS should be able to activate or deactivate services or STBs of at least Five percent (5%) of the subscriber base of the distributor within 24 hours.

Watermarking of Network Logo by the DPO

13. The 'watermarking' logo can be inserted at the encoder end before combining of all the signals by a DPO. Alternatively, a DPO can introduce the 'Watermarking' through their middleware provided in the STB.

14. Para 13 of part B of Schedule -III of Interconnection Regulations 2017, states that, 'The watermarking network logo for all pay channels shall be inserted at encoder end only'.
15. Many DPOs have requested TRAI that the 'Watermarking' network logo can be inserted by the encoder itself, only when the encoders have this feature. However, many of encoders deployed currently by such MSOs are part of their legacy system and do not have the provision for water marking logo insertion.
16. Considering the issue and the cost implications on legacy systems, the Authority is of the view that the encoders deployed after coming into effect of Interconnection regulations 2017 should only be mandated to support watermarking network logo for all pay channels at the encoder end.

Digital Rights Management (DRM)

17. DRM is a systematic approach to copyright protection for digital media. The purpose of DRM is to prevent unauthorized redistribution of digital media and restrict the ways consumers can copy content they've purchased. DRM products were developed in response to the rapid increase in online piracy of commercially marketed material, which proliferated through the widespread use of peer-to-peer file exchange programs. Typically, DRM is implemented by embedding code that prevents copying, specifies a time period in which the content can be accessed or limits the number of devices the media can be installed on. DRM technology focuses on making it impossible to steal content in the first place, a more efficient approach to the problem than the hit-and-miss strategies aimed at apprehending online poachers after the fact.
18. The Schedule III of the Interconnection Regulations 2017 does not provide for the requirements / specifications of DRM based systems. The Authority during its consultations on Audit manual received the feedback that owing to its benefits the IPTV based DPOs are switching to DRM technology. It is necessary that the Audit regime covers the DRM based networks and provides for enabling provisions for such operators. Accordingly, the Authority considers it necessary to include DRM specifications in Schedule III.
19. Accordingly, Schedule III of the Interconnection Regulations 2017 dated the 3rd March, 2017 has been amended.

Requirements to be added to Regulation:

CAS and SMS vendors must be brought under "Type Approval" process by TRAI to ensure that their systems are robustly compliant to the Regulation requirements.