

**For Immediate release**

**TELECOM REGULATORY AUTHORITY OF INDIA**

**TRAI releases Consultation Paper on Empanelment of Auditors for Digital Addressable Systems**

**New Delhi, 22<sup>nd</sup> December, 2017:** The Telecom Regulatory Authority of India (TRAI) has today released consultation paper on the empanelment of auditors for digital addressable systems for broadcasting and cable sector.

2. TRAI brought a regulatory framework for digital addressable systems and notified the interconnection regulations namely the Telecommunication (Broadcasting and Cable) Services Interconnection (Addressable Systems) Regulations, 2017 dated 3rd March 2017. These regulations have provisions relating to technical audit and subscription audit wherein it has been provided that the Authority may empanel auditors for this purpose. Presently, these regulations are sub-judice in the Hon'ble High Court of Madras and Hon'ble High Court of Delhi. However, this consultation paper is a preparatory work before calling proposals for empanelment of auditors, and has no bearing on the said regulations or ongoing litigations. This consultation process will enable TRAI to prepare a comprehensive document to seek proposals from auditors in line with the industry requirement and formulate guidelines to auditors.

3. All the distributors such as Multi-System Operator, Direct to Home operator, Headend In The Sky operator or IPTV operator are required to install digital headends including Subscriber Management System and Conditional Access System for distributing signals of TV channels through digital addressable systems. To have a level playing field amongst all the distributors, the Authority has prescribed minimum technical specifications for addressable systems. These technical specifications primarily ensure the addressability & transparency and help in preventing piracy.

4. Technical audit of a digital addressable system of a distributor is important before provisioning of signals of TV channels by the broadcasters. This audit is commissioned by broadcaster to satisfy itself that the distributor, to whom it is likely to provide television



signal, meets the addressable system requirements specified in the regulations. Similarly, in order to reduce the disputes related to invoices between broadcasters & distributors, subscription audit is important. This audit focuses on ascertaining the subscriber numbers being reported by distributor to broadcaster.

5. The consultation paper seeks views of stakeholders on various audit-empanelment related issues such as scope of audit, eligibility criteria and experience, length of empanelment, audit fee and payment terms, time period for completion of audit work, de-empanelment, reporting requirements of auditors.

6. This consultation paper is available on TRAI's website [www.trai.gov.in](http://www.trai.gov.in). Written Comments on the Consultation Paper have been invited from the stakeholders by 22<sup>nd</sup> January, 2018 and counter-comments by 7<sup>th</sup> February, 2018.

7. For any clarification/ information, Sh. Sunil Kumar Singhal, Advisor (B&CS) may be contacted at Tel. No.: +91-11- 23221509, Fax: +91-11-23220442.



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