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RESPONSE FOR CONSULTATION PAPER ON
ISSUES RELATED TO QUALITY OF SERVICES IN
DIGITAL ADDRESSABLE SYSTEMS & CONSUMER
PROTECTION

We would like to express our sincere gratitude to the TRAI (the authority) in taking up, a vast array of issues under Consultation with a view to streamline and improve the functioning of the Broadcasting Sector.

As has been noted in the Consultation Paper, there are aspects to the existing Quality of Service (QoS) Regulatory Framework, which may require a review. Certain aspects in the QoS Regulations are causing difficulties and hardships to Multi System Operators (MSOs). Some of the requirements under the QoS Regulations, as applicable to MSOs are discriminatory vis-à-vis other platforms i.e. DTH. For eg. There is no mandatory requirement under the DTH QoS Regulations for CAFs prior to activation of services. Another area which has resulted in huge losses to MSOs is the mandatory provisioning of services on a post-paid model. The post-model has been continuously misused by the LCOs and has resulted in tremendous losses to the MSOs. The mandatory provisioning of services in a post-paid model is also discriminatory to the MSOs vis-à-vis DTH Operators, as there is no mandatory requirement on the part of DTH Operators to provide post-paid services to its subscribers.

Billing of subscribers is another area which is causing problems to the MSOs. The mandatory mentioning of the Entertainment Tax and Service Tax Registration of the MSO on each invoice, has also caused great distress to the MSOs. The practice which has been followed in the Industry is that the LCO is the one who generates the billing for each subscriber, and therefore, it is the Entertainment Tax and/ or Service Tax Registration of the LCO, which ought to be mentioned on the invoice.

Going forward it is proposed that rather than the Regulator, itself handling all QoS related issues, a self-regulatory Industry Body can be formed, which can look into the same. The Industry Body would work under the guidance and supervision of the Regulator. There are a huge number of DPOs and LCOs in the Industry and for the Regulator to itself monitor each and every single DPO/ LCO for QoS compliance's would be a colossal task and waste of the Regulator's resources.

Our detailed comments on the issues mentioned in the Consultation Paper are set out herein below.

Q1. What should be broad contours for QoS Regulatory framework for digital addressable systems? Please furnish your comments with justification.

Response: It is proposed that that QoS framework should be governed by a self-regulatory Industry body. It is submitted that the Industry led body would have representatives of Broadcasters, DPOs i.e. MSOs, DTH, HITS and IPTV, as well as LCOs, and legal experts. The Industry body would be best suited to lay down the parameters and regulations, pertaining to QoS, which can be achieved by the stakeholders, while taking into account the consumer interest. No useful purpose is served by laying down standards, which cannot be achieved by even a single service provider.

It is proposed that the Industry body be formed and given a period of 3 months to come up with the QoS Regulations, and thereafter the same be tried out for a period of at least 2 years. The Industry body will work under

the aegis of the TRAI and the Regulator can always step in or direct the Industry body to look into certain aspects.

There are already various examples of Industry Bodies successfully implementing Self-Regulation. Some notable examples of the same are the Broadcasting Content Complaints Council (BCCC) of Indian Broadcasting Foundation (IBF), News Broadcasters Standards Authority (NBSA) of the News Broadcasters Association (NBA) and the Advertising Standards Council of India (ASCI). It is also to be noted that the BCCC, NBSA and ASCI are all operating in the Broadcasting Sector and have successfully been able to Self-Regulate the Industry. There is no reason, that a similar model cannot be successfully adopted in the DPOs – Customer relationship as well.

It is to be noted that when the Regulations are framed by the Industry body, there is less scope for the interests of the stakeholders being overlooked. For example, in the present Regulatory Framework under Clause 15(2) of the DAS, QoS Regulations, on each invoice the Entertainment Tax and Service Tax Registration of the MSO is to be mentioned, even though under the Telecommunication (Broadcasting and Cable Services) Interconnection (Digital Addressable Cable Television Systems) (Seventh Amendment) Regulations, 2016, if the parties enter into a MIA (Model Interconnect Agreement), the liability can also be that of the LCO. The standard industry practice being followed for the past many years, is that the LCO is the one who generates the billing for each subscriber, and therefore, it is the Entertainment Tax and/ or Service Tax Registration of the LCO, which ought to be mentioned on the invoice. The MSO through its web portal can facilitate the billing of the customers,

however, it is the Entertainment Tax and/ or Service Tax Registration of the LCO which should be mentioned on the invoice. In most cases (almost 90% cases), the MSO does not have any direct relationship with the customer, and only provides signals till the node of the LCO, who interacts with the subscribers.

Q2. Should there be a uniform regulatory framework for Quality of service and Consumer protection across all digital addressable Platforms? Please provide your comments with justification.

Response: No. It is submitted that the various DPOs i.e. MSO, HITS, DTH and IPTV have different business models and different statutory frameworks and hence, it is not possible to equate them. DTH and IPTV are B2C (Business to Consumer) Business Models, where there is a direct linkage between the DPO and the end consumer. On the other hand, MSOs and HITS Operators are primarily B2B (Business to Business) Models, wherein signals are provided by the DPO to an intermediary i.e. the LCO, who interacts with the end consumer.

As far as MSOs are concerned, their direct points are a maximum of 10% of their entire subscriber base, whereas the balance 90% is serviced through LCOs. Furthermore, under the Regulatory Framework, there is a must-provide applicable on MSOs i.e. to provide their signals to each seeker i.e. LCO. Therefore, in such a scenario, where there is a statutorily mandated intermediary between the MSO and the consumer, such DPO cannot be equated or put on similar terms/ regulatory framework as a DPO, who directly interacts with the end consumer. In fact, under the existing framework of QoS, the entire obligation to maintain QoS has been put on

the MSO, when in fact, the MSO is also dependent on the LCO to maintain QoS. The last mile connectivity is owned by the LCO and the LCO is neither an agent nor employee of the MSO, and hence, the MSO cannot exercise any direct control upon the LCO.

Q3. Should timelines relating to various activities to get new connect be left to the DPOs to be transparently declared to the subscribers? If so, how the interest of the subscriber can be protected if the connection is not provided in given time frame?

Response: Yes. It is submitted that there is intense competition in the market inter-se the various DPOs. Every part of the country is being serviced by a minimum of 9-10 DPOs i.e. 7 pan-India DTH Operators, as well as a minimum of 2-3 MSOs. The minimum number of 9-10 DPOs does not even take into account HITS and IPTV Operators. Furthermore, all DPOs are offering the same services i.e. the same channels and there is no distinguishing factor between the various DPOs. A consumer is only interested in watching the end-product i.e. the TV channels available on the DPOs platform, and the same does not have any co-relation with the DPO. In case, a DPO does not provide its services to a consumer within the stipulated time period, the consumer will take services of another DPO, the loss being that of the prior DPO. At present in the highly competitive, DPO market, it is the consumer who has been given ample choice. In fact, most DPOs today install new connections within a span of 24 hours from receipt of a request, and therefore, there does not appear to be any need to regulate the same.

Q4. What should be the time limits for various activities, as mentioned below, to get new connection? Please provide your comments with justification.

- (a) Response time for processing new service request and conveying feasibility of providing connection at the desired location**
- (b) Time line for completion of CAF, installation and activation of service**

Response: As submitted above, it is proposed that the laying down of time limits should be left to the DPO themselves. However, in the event the Authority does not accept the said proposal the following time limits are proposed.

- (a) Response time for processing new service request and conveying feasibility of providing connection at the desired location – It is submitted that the maximum response time for processing new service request should be 48 hours. As far as MSOs are concerned, the request for providing service is usually given to the LCO by the customer. The LCO thereafter has to examine the feasibility of providing signals to customer. The time limit of 48 hours from receipt of request, gives adequate time to the LCO or DPO to examine feasibility. A time period less than 48 hours, would be unreasonable upon the DPO/ LCO.
- (b) Time line for completion of CAF, installation and activation of service- A common time frame for completion of CAF, installation and activation of service qua all DPOs will not be feasible. As mentioned above, the Business Models of various DPOs are different and therefore, the maximum time period has to vary

according to the nature of business. The maximum time frame for DTH and IPTV can be fixed at 48 hours, as they are directly responsible for providing the service to the consumer. As far as MSOs and HITS are concerned, the completion of CAF, installation and activation of service, is the responsibility of the LCO. The MSOs and HITS Operators are required to be given additional leeway in the maximum prescribed period as the LCO is not directly under their control. For MSOs and HITS the maximum time period can be fixed at 7 days.

Q5. Should minimum essential information to be included in the CAF be mandated through regulations to maintain basic uniformity? Give your suggestions with justification.

Response: It is submitted that statutory requirement of CAF for MSOs before providing of services to a customer ought to be done away with. It is submitted that there is no mandatory requirement upon DTH Operators under the DTH QoS Regulations to have duly filled up CAFs, before providing services. In fact, QoS Regulations, are discriminating against the MSOs vis-à-vis DTH Operators. Furthermore, the requirement of CAFs does not serve any useful purpose.

The advent of CAFs, in the Telecommunication and Broadcasting Sector, was done on the insistence of the Government of India and that too for mobile services, as it was found that there were various SIM Cards which ended up being used for anti-national activities, and the customers of such SIM Cards could not be traced in the absence of CAFs. The most important factor, to be taken into account was that mobile services/ SIM Cards

provide a tool for 2-way communication and thus, there is a requirement for verification of the customer. As far as Broadcasting Services, are concerned they provide only 1- way communication i.e. from the DPO to the customer. There is no mechanism available by which the customer can use the Network of the DPO, for sending data/ information to a third party. In fact, even earlier when channels could be viewed by customers by installation of an antenna at their homes, there was no mandate of CAFs. Furthermore, there is no condition in the license of the DPOs which mandates acquisition of CAFs, which condition exists in the license terms of TSPs (Telecom Service Providers). In fact, under the existing regulatory framework there is prosecution of MSOs on account of failure to have duly filled up CAFs, which action is harsh and uncalled for. Furthermore, it is in the interest of the DPOs, that they have the relevant information of the customer for their own internal billing purposes i.e. Name, Address, Mobile Number and E-mail ID. However, the mandatory requirements of collecting documents for proof of address/ proof of identity etc. need to be done away with. DPOs are not providing any sort of sensitive service which can be misused, and for which monitoring of subscribers is required. In fact, it can be argued by consumers that DPOs have no right to demand documents establishing Proof of Address/ Proof of Identity etc. In fact, in the Broadcasting Sector, the only useful purpose CAFs serve is to identify consumers and their Hardware/ Package choices, which can be gathered through other means as well. Furthermore, the mandate of CAFs is only applicable at the time of provisioning of service, and no fresh CAF is required when packaging is changed by the customer.

In the event, the Authority is not inclined to do away with the mandatory requirement of CAFs before activation of services, it is proposed that the

requirement be made applicable across DPOs and the following changes are proposed to Annexure III.

In Part A, the Address and Website of the DPO should be added. In addition to the above, the CIN Number of the DPO should be mentioned as the same is mandated by the Companies Act. However, there is no need to mention the Entertainment Tax/ Service Tax Registration Number on the CAF, as the relevant Entertainment Tax/ Service Tax Registration will be printed on the invoice. Furthermore, the Entertainment Tax/ Service Tax Registration Number has no relevance at the time of filling up of the CAF.

In Part B, it is proposed that if a customer supplies copy of Aadhar Card, then other document should be sought from the customer.

In Part C, it is proposed that a disclaimer which contains the terms and conditions of providing service be clearly mentioned, so that the consumers are made aware of the same.

In Part D, it is proposed that there should be a separate column mentioning, whether the STB Rental Scheme includes maintenance or not.

In Part F, the email address of the LCO should be added, as the customer usually contacts the LCO for information, complaints etc.

Q6. Should minimum font size need to be specified for CAF? If not, how can it be ensured that important information provided in CAF is given in such a manner that consumer can read them easily?

Response: No. It is most respectfully submitted that specifying a particular font size would not serve any useful purpose. In any event, specifying a minimum font size would in itself be a purely subjective exercise. The text size, between different fonts having the same font size also varies. What would be readable for one person, may not be readable for another. Furthermore, no complaints have been received by MSOs that the font size used on the CAF form makes the same unreadable. It is most respectfully submitted that the Authority can prescribe that the CAF should in such a font size, that the same is readable. It is also pertinent to mention that any increase in font size, would also result in consequential increase in size of the CAF, resulting in more paper being required to print the same, and consequent increase in cost to the DPO.

Q7. Should use of e-CAF be facilitated, encouraged or mandated? Please provide your comments with justification.

Response: The use of e-CAF should be mandated and the practice of paper CAFs should be done away with. The use of e-CAFs is environmentally friendly, as no paper is required for the same. At the same time, it also reduces the cost on the DPO as there is no requirement of printing. In fact, most MSOs have already implemented e-CAFs. It is submitted that Mobile App based solutions can also be utilized for filing up e-CAFs.

Q8. Should the minimum essential information to be included in the MoP be mandated through regulations to maintain basic uniformity and to ensure that consumers get all relevant information about the services being subscribed?

Response: Yes.

Q9. What should be the minimum information to be included in MOP Give details with justification?

Response: It is submitted that existing format of MoP, as set out in Annexure -IV is sufficient. It is submitted that no complaints have been received with regard to the MoPs of the DPOs there is no need to change the existing framework.

Q10. Should it be necessary to provide printed copy of MOP to all the customers at the time of subscription to the service? If not, how it can be ensured that all required information is available to subscribers when required?

Response: No. It is submitted that there is no need to provide a printed copy of the MoP to the customer at the time of subscription to the service. It is submitted that the MoP is already available on the website of every DPO, which can be taken out at will by the subscriber. It is submitted that providing of MoP at the time of subscription of service, only leads to paper wastage and increased cost to the DPOs, and is also environmentally unfriendly. No customer keeps a copy of the MoP, which is received at the time of subscription to the service. It is only when the subscriber faces some difficulty and needs to lodge a complaint does he require the MoP.

Q11. Should there be an initial subscription period while providing a new connection to protect the interest of both the subscriber as well as DPOs?

Response: No.

Q12. If so, what should be the duration of such initial subscription period?

Response: Not Applicable.

Q13. What protections should be provided to subscribers and DPOs during initial subscription period? Give details with justification?

Response: It is submitted that there is a need to relook and rework Clause 10(1) of the DAS QoS Regulations, which prohibit a MSO from changing the composition of the subscription package for a period of 6 months from the date of enrolment of the subscriber or in case of advance collection of subscription fee the entire duration of the package.

It is submitted that Clause 10(1) (a) is causing tremendous hardship to the MSOs. It is submitted that the Broadcasters usually sign subscription agreements for a duration of 1 year with MSOs, whereas for DTH Operators the duration is 3 years. Furthermore, even the Subscription Agreements with different Broadcasters are executed on different dates, some coinciding with the financial year, some with the calendar year and other having a unique cycle of their own. In such a situation for any MSO, at every point in time in the year some Subscription Agreement or the other is near expiry and thus, in such a situation mandating that the packaging remain the same for a period of 6 months from enrolment, puts the MSO in an onerous position. The Regulation is being misused by Broadcasters to arm-

twist MSOs to execute, unfavorable deals as the MSO is bound by its packaging obligations and cannot make the channels available on a-la-carte basis.

It is submitted that the Clause 10(1) should be modified to the extent that the packaging cannot be changed by the MSOs for a period of 6 months from the introduction of the package, and not from the date of enrolment of the subscriber. In the case of subscribers who have made advance payment, the MSO can reduce the price on proportionate basis.

Q 14. What should be the framework for compensation to the subscriber for dropping of a channel due to its non-availability on the DPOs' platform?

Q 15. How should the reduction in subscription charges be calculated in case of discontinuation of channel from DPOs platform? Please provide your comments along with justification.

Response: In response to Q14 and 15 it is submitted that in the case of non-availability of channel, the subscription charges can be reduced on proportionate basis.

Sub-regulation 2 of regulation 10 of the Regulations requires the MSOs to reduce the subscription price of package by an amount equivalent to the a-la-carte rate of the channel whenever a channel which is a part of the package becomes unavailable on the network of MSOs. In this regard we submit as under:-

- a) It is submitted that while we have highest regard to the Regulations issued by the TRAI and it has always been our

endeavor to ensure strict compliance however, under the present circumstances it may not be financially viable to reduce the subscription price of package by a-la-carte rates of channels at the MSO end and any such reduction would adversely affect and severely impact the financial position of MSOs as it will be out of pocket in the absence of any collection from the subscribers on a-la-carte rates.

- b) The MSOs are currently under the process of implementing packages across all DAS cities and need some more time to fully implement and execute the same. The said exercise also requires the cooperation from the Local Cable Operators (LCOs) which it is needless to mention and which the Authority is well aware has faced stiff opposition and has always been an extremely difficult task. This opposition is but natural as the same prevents Local Cable Operators (LCOs) from bypassing the digital set-top box, and deciding the mix and price of channels according to locality and customer base. Further there is also a fear as to shift in the balance of power away from LCOs to cable service providers and TV broadcasters who will now be able to monitor their subscriber base and control the flow of revenues. It is pertinent to note that the opposition of LCOs prevents the choice to the consumers which are the basis of digitization.
- c) As the Authority is already aware, in a way, the Broadcasters are mostly utilizing these provisions of the Regulations to obtain higher subscription revenues. The Broadcasters instead of giving a long term content deals to the MSOs have ensured that they are kept for short periods. They have used these Regulations to their advantage thereby preventing the MSOs to put their channels on

a-la-carte. To counter such attempts they put advertisements in newspapers in this regard and also advise customers who avail the channels on a-la-carte to opt for distributors who offer bouquets / packages thereby creating market distortion. In a manner they are helping the DTH players to consolidate and grab the market.

d) In a way, some Broadcasters with the help of these provisions of the Regulations compel the MSOs to include their channels compulsorily in the packages and thereby discouraging the MSOs to exercise their choice on a-la-carte. Indeed some of them have now started putting direct conditions in the Agreements to the said effect. Any attempt to alter the packages mandates the compliance of requirements as given under the Regulations. While at the first place the MSOs have also ensured to replace the channels of the same genre it is also pertinent to note that the change of composition of package is currently based upon the number of channels in the package in contrast to the quality of content provided to the consumers. It is respectfully submitted to the Authority that current parameters for determining change in the composition are solely based upon the numbers and are not taking into account the quality of the channels, because of which the change conditions imposed under the Regulations with respect to change in composition of packages should be revisited. It is to be appreciated that the consumers always desire quality content rather than multiple number of channels and thus, a balance should be struck between demanding the factum of change in composition of package considering the aforesaid factors as well.

- e) In any event, it is well known that with the nature of difficulties faced by MSOs at ground level for implementing packages it is becoming almost an impossible task to fully comply with the Regulations prescribing such requirements. Since the collection of subscription money is very miniscule compared to the expectations as prescribed under the Regulations for refunding on a-la-carte rate, therefore, it becomes almost impossible for the MSOs to comply with said requirement.
- f) In this regard we also wish to draw the attention of the Authority that in “Direct to home operator” (DTH) market, according to sub-regulation (2) of regulation 9A of “The Direct to Home Broadcasting Services (Standards of Quality of Service And Redressal Of Grievances) (Amendment) Regulations, 2009”, the DTH operators are required to reduce the subscription price on proportionate basis during discontinuation of channel. The said requirement in respect of DTH operators is much equitable as compared to what is stated in the Regulations for MSOs. The MSO it is urged are distinctly placed disadvantageously in terms of the transition phase which they are going through on account of digitalization of a highly unorganized sector should be given more favorable terms rather than being put to any adverse position when it comes to compliance with Regulations.

It is also to be noted that the said burden is only cast upon MSOs and is not a joint responsibility of both the MSOs and LCOs. Thus, at present, the entire burden is being borne by the MSOs.

Q16. What should the maximum permissible time of disruption beyond which subscriber must be compensated in following cases?

- (a) Disruption due to technical fault on the DPO network or at the subscriber's end**
- (b) Disruption due to technical fault of CPE at the subscriber's end**

Response:

- (a) Disruption due to technical fault on the DPO network or at the subscriber's end – 24 hours**
- (b) Disruption due to technical fault of CPE at the subscriber's end – 12 business hours**

Q17. What should be the duration of disruption in service warranting compensation to the consumer and how the compensation should be calculated in following cases?

- (a) Continued Disruption due to technical fault on the DPO network at the subscriber's end beyond the pre specified time.**
- (b) Continued Disruption due to technical fault of CPE at the subscriber's end beyond the pre specified time.**

Response: It is submitted that in both the aforementioned cases, a similar formula can be adopted to provide compensation to the consumer as the result is the same i.e. the consumer cannot enjoy the services being provided to it. It is submitted that in cases of disruption beyond the prescribed period, the consumer can be compensated by adjustment of the billing for the duration of the disruption, plus an additional 10% of the

amount so adjusted. It is submitted that the same would also provide a disincentive to the DPO, and help in ensuring continuity of service. Furthermore, due to the highly competitive nature of the DPO Market, an outage for long duration would in any case lead to loss of subscriber(s) for the DPO. It is submitted that the aforementioned compensation should not be applicable in the event a force majeure event occurs i.e. an act of God, governmental action, war, civil insurrection, riot, act of terrorism, labour unrest or dispute, epidemics etc.

Q18. What should be the framework and terms and conditions for shifting of connection including timelines in respect of PAN India DPOs where provision of connection at new location is feasible?

Response: It is submitted that the framework and terms and conditions for shifting connections should be left out of the Regulatory Framework and be under forbearance. As mentioned above, the competition inter-se DPOs is intense, which has resulted in improved quality of service to the consumers. With multiple DPOs jostling for the same consumer, it is in the interest of the DPO to provide efficient and timely service to the customer. Furthermore, as proposed in response to Q1 above, a self-regulatory Industry Body should be formed to formulate and govern the QoS conditions. In the event, the Industry Body deems it necessary, it can regulate this aspect as well. Furthermore, the DPOs can mention the framework and terms and conditions of shifting of connection in their MoP.

Q19. Is there a need to prescribe procedure for transfer of the TV connection? If so, what should the procedure, terms and conditions for transfer of services connection and timelines?

Response: No.

Q20. What should be the framework to address the concerns of stakeholders (Subscribers and DPOs) relating to temporary suspension of service?

Response: It is submitted that subscribers can be given the option to temporarily suspend services, a maximum of twice a year. As far as post-paid customers are concerned, they should give a prior notice of 1 month seeking suspension of service. For pre-paid customers, the request can be acted upon, as and when received by the DPO.

Q21. How issue of abrupt closure of service due to non-payment can be addressed while protecting the interest of subscribers and DPOs?

Response: It is submitted that the present regulatory framework pertaining to disconnection of services to subscribers i.e. Clause 7(1) of the DAS QoS Regulations have been grossly misused by the LCOs and end consumers. There is an urgent need to do away with the said provision and permit the MSOs to disconnect services on non-receipt of payment with the prescribed period.

The LCOs are required to immediately update in the system/ web portal of the MSO, all payments received/collected from the subscribers. It is submitted that all MSOs have implemented systems, which lead to automatic deactivation of signals in the event payment is not received after expiry of the statutory notice period. It is not practically possible, for an

individual(s) to manually go through the details of each and every single customer.

It is submitted that only when LCOs start to feed the details of the payment received from the customers in the web portal of the MSO, can the problem be resolved. It is submitted that the present framework is causing extreme hardships to the MSOs in the following manner:

1. MSOs are mandated to offer post-paid services.
2. As soon as the MSO raises an invoice upon the customer, he becomes liable to pay Entertainment Tax and Service Tax.
3. In the event, the LCO/ consumer does not pay the amount for the previous month, MSO has to issue a 15 days' notice under Clause 7(1) and continue to provide signals within the notice period.
4. The MSO becomes liable to pay Entertainment Tax and Service Tax for the subsequent month as well.
5. The payment of taxes by the MSO is in addition to the payment made to the Broadcasters for both the months.
6. The MSO has paid the Broadcaster and Statutory Taxes without receipt of even a single penny from the subscriber/ LCO, in addition to the other costs incurred by the MSO in providing its services.
7. The MSO does not have any power to recover its dues from the customer, neither does the law mandate that a customer is required to clear the dues of the MSO prior to shifting to another DPO.
8. There are cases, where the customers/ LCOs do not make payments for months together or make part payments only, resulting in further losses to the MSOs.

Q22. Is gradual closure of service as discussed in para 8.23 is a feasible option? If so what should be procedure and the framework?

Response: No. As submitted above, the liability of the MSO to pay Entertainment Tax and Service Tax arises at the time the MSO raises an invoice. There is no exemption in payment of either Entertainment Tax or Service Tax for providing only free to air channels/ BST Services. In such a situation, continuing to provide services to a consumer who does not pay for the same makes it highly onerous for the MSO and its liability towards statutory authorities keeps on accumulating. It is also to be taken into account that some subscribers are happy with availing signals of only FTA Channels / BST Package and in those cases, there cannot be any gradual closure of service.

Q23. What should the procedure and timeframe to inform the subscriber regarding closure of service due to closure of business?

Response: It is submitted that in case of closure of business by a DPO a Notice of atleast 21 days can be given by the DPO to its Subscribers. Rather than issuance of a Public Notice, which is mostly not read by the consumers, the DPO can run a scroll on all channels informing the customers regarding closure of service. The scroll should clearly mention the date of closure of services.

Q24. Why uptake of mandated schemes for set top box (Outright purchase, Hire purchase, and on rent) is so low at present? How consumer awareness on these issues can be increased?

Response: It is submitted that the uptake for the mandated schemes for set top box is low, as the schemes being offered by various DPOs are more cost effective and beneficial to the consumer. As mentioned above, due to the intense competition in the DPO space, all players are making offerings which are suitable and well received by the consumers. In fact, most DPOs end up subsidizing the cost of the Set Top Box to their customer. TRAI and the MIB (Ministry of Information and Broadcasting) have already taken sufficient initiatives for consumer education and as on date, almost all consumers are well aware of the mandatory schemes.

Q25. What should be the consumer friendly common framework of CPE Schemes for providing CPE to consumers in digital addressable system? Please provide your comments with justification?

Response: It is submitted that there is no requirement for a common framework for providing CPE to consumers and the same should be under forbearance. As has been seen, the consumers are preferring the various schemes offered by DPOs rather than the mandated schemes. Some amount of freedom has to be provided to the DPOs, so that their offerings can be tailor made to suit their consumers, rather than standardizing the same. If the offerings of a DPO are not competitive, he is likely to perish from the market. Furthermore, the Regulator has already issued a pre-consultation on Set-Top Box interoperability, which if accepted would result in an open architecture and giving choice to the consumer.

Q26. What should be minimum essential information related to a CPE scheme that must be made available to the consumers to safeguard their interests? Please provide your comments with justification.

Response: The essential information related to CPE that must be made available to the consumers to safeguard their interest are as under:

1. Details of the Scheme under which the CPE has been provided.
2. Cost of Scheme.
3. Guarantee/ Warranty Period of the CPE.
4. Annual Maintenance Contract (if applicable).
5. Procedure for surrender of CPE (if applicable).

Q27. What measures may be adopted to ensure availability of good quality CPE to consumers?

Response: It is submitted that the CPE being provided by all MSOs is of good quality and complies with the norms laid down by the Authority i.e. BIS Compliant.

It is submitted that damage to CPE occurs due to collection of dust and/ or moisture. Another major reason for damage to CPE, is that the CPE is connected directly from a wire connected to a pole, the outside of the wire can at times carry water, resulting in damage to the CPE. Most of the times, the CPE is installed behind a TV, which area does not have any ventilation and a TV being electro-static attracts dust. Thus, the damage to CPE is usually due to Environmental or Network conditions, which are beyond the control of the DPO. At times, there is also mishandling of CPE by the customer as well.

The CPE being imported by MSOs has a shelf life of 8 years, and it is not in the interest of MSOs to provide sub-standard CPE, as mostly the CPE is being provided to a customer at a subsidized rate by the MSO.

Q28. Should any charges such as visit charges, etc. be charged from the subscribers during guarantee-warranty period?

Response: Yes. Furthermore, the charges would depend on what scheme was been opted by the subscriber. It is also important to take into account that visit charges have to be paid for faults other than those in the CPE or Network of the DPO. It is submitted that in the event all visit charges are waived in the guarantee- warranty period, the subscriber would continuously demand for visits, even when the problem is solely attributable to the customer or there is no problem at all.

Q29. What should be provisions for maintenance of CPE after the expiry of guarantee- warranty period?

Response: It is submitted that DPOs should be given freedom to formulate their packages/ offerings for provision of maintenance of CPE after expiry of guarantee- warranty period. As the DPO market is highly competitive, the same can be left to market forces. It also has to be taken into account that the DPO is a service provider, and not the manufacturer of the CPE. The DPO would have to tie-up with the manufacturer/ 3rd party to provide maintenance of the CPE.

Q30. What should be the simplified provisions for surrender of CPE in case of closure of service by the subscribers in order to protect their interest?

Response: The procedure of surrender of CPE would depend upon the scheme being opted by the subscriber, and published by the DPO. The CPE can be surrendered to the LCO and the LCO can refund the amount, as applicable under the scheme opted by the subscriber.

Q 31. Please suggest the standards and essential technical parameters for ensuring good quality of service for the following digital addressable platforms:

- a). Digital Cable TV**
- b). DTH**
- c). HITS**
- d). IPTV**

Response: It is submitted that the existing technical parameters ensure good quality of service and there is no need to modify the same. It is submitted that DPOs have invested huge sums of money to set-up their infrastructure to comply with the existing technical specifications, any change in the technical specifications would result in further expenditure to upgrade the infrastructure. As on date, all MSOs are already suffering huge losses due to the colossal investments made towards digitalization, in such a situation incurring of further expenditure by MSOs is nearly impossible.

Q32. What are the different methods to effectively increase consumer awareness?

Response: The following modes can be used for increasing consumer awareness:

1. Running of scrolls on channels
2. Making available information on the website of DPOs and/ or TRAI
3. Running of Advertisement campaigns every 6 months
4. Holding of Open House Meeting(s)
5. Interaction between LCOs and subscribers

Q33. How consumer related information can be effectively provided to Subscribers through DPO website. What minimum information should be provided through consumer corner?

Response: It is submitted that all consumer related information is already available on the website of MSOs in due compliance of the DAS QoS Regulations. In fact, all Subscription Package(s), CPE, MoP, Consumer Charter related information is already available on the website, which can be easily accessed by the consumer. The website(s) as designed are effective in disseminating information and MSOs have not received any complaints with regard to the same.

Q34. Can outsourcing to the third party for various web based operations be permitted especially for smaller DPOs? If yes, what precautions are taken to ensure that such provisions are not misused?

Response: Yes. The idea proposed by the Regulator will greatly help the smaller DPOs and result in lower costs for them. As far as the apprehension regarding misuse is concerned, there does not appear to be any reason for the same as the website is only disseminating information and there is no downside to the same.

Q35. In case of the use of “In Channel” communication means, what should the guidelines for running scrolls or other onscreen displays, so that it does not impact the viewing experience?

Response: It is submitted that scrolls should be permitted below the line. Furthermore, “In channel” communication should be allowed in case the subscriber chooses for the same.

Q36. What options can be used for verifiability of subscriber communications for any change in service or provision of additional service?

Response: The following options can be used of verifiability of subscriber communications:

1. Registered Mobile Number (RMN)
2. Registered Email Address

Q37. What should be the duration to preserve such verifiable subscriber communications requesting change in service or provision of additional services at DPO level?

Response: The maximum time period for which such data should be preserved is 6 months. There is a capacity constraint on the amount of data which each DPO can store, and therefore a period longer than 6 months would be unreasonable to DPOs. Furthermore, in case there is any dispute with regard to activation/ deactivation of some services, the subscriber is likely to raise the issue immediately and not after a prolonged period of time.

Q38. What should be optimal number of channel packages which meets the subscriber demand and are well understood by the subscribers?

Q39. How the package offerings can be improved in case of cable TV services so that effective choice is made available to the consumers?

Response: In response to Q38 and Q39 it is submitted that there is no need to regulate these aspects and the same should be under forbearance. It is submitted that the DPOs are well-equipped to make packages as per the choice of their consumers. As submitted above, there is intense competition inter-se DPOs which ensures that the packages are made as per the choices/ requests of the consumers.

Furthermore, all MSOs are already following the packaging norms prescribed by the TRAI and giving options of a-la-carte channels, in addition to packages to consumers. It is also to be noted that in a country as vast and diverse as India, there cannot be an optimal number of packages. A pan-India DPO would have a larger number of offerings, so as to cater to all regions, whereas a regional player may not require as many offerings as

the subscriber base may not be so diverse. The packaging for urban areas would be different than those in rural areas.

Q40. Whether the choice of Pre or Postpaid method should be mandatorily made available to the subscribers?

Response: No. It is submitted that the DPO should be free to choose its business model i.e. pre-paid or post-paid and there should be no statutory mandate to supply signals in either pre-paid or post-paid. Under the existing regulatory framework, MSOs have to mandatorily provide their services on post-paid mode, which provision has been misused by the LCOs and customers. As MSOs are mandatorily obliged to provide post-paid services, there is tremendous losses being faced by MSOs. MSOs are liable to pay Entertainment Tax and Service Tax, irrespective of receipt of subscription fee from the LCO/ consumer. MSOs are being saddled with huge statutory liabilities, even though they have been unable to collect even a single rupee from the LCOs/ consumers. Furthermore, the MSO is also liable to pay the Broadcaster, irrespective of the fact whether the MSO has collected the subscription fee from the LCOs/ consumers. LCOs/ consumers migrate to other DPOs without clearing the payment for the past period. It is submitted that there is no mandatory requirement for DTH to provide services in post-paid, resulting in an uneven playing field for MSOs vis-à-vis DTH Operators.

Q41. What should be the essential information contained in the monthly Bill/ Usage details to be provided to subscribers in post paid or pre-paid system?

Response: The following essential information in the monthly bill/ usage details ought to be provided:

1. Package Subscribed to by the Consumer.
2. Amount of Subscription Fee.
3. Taxes.

Q42. Should pre-paid method is encouraged in case of cable TV services provided through LCOs? Support your comments with justification.

Response: Yes, the pre-paid method should be encouraged in case of cable TV services provided through LCOs.

There are strong reasons for making the offering of cable TV services by MSOs in DAS compulsory on a pre-paid option only. This is because of the following reasons:

- a) In the DAS regime, MSOs have obligations similar to Direct to Home (“DTH”) operators, but are dependent on Local Cable Operators (“LCOs”) for collection of the subscription amount, unlike DTH operators. DTH operators can implement the pre-paid option because they have direct access to the subscribers. However, MSOs cannot implement it on account of the presence of LCOs in between them and the subscribers. This anomaly can be rectified by making pre-paid collection by MSO in DAS mandatory.
- b) MSOs cannot perform some of its obligations imposed by the Cable Television Networks Rules, 1994, and regulations issued by the authority if the regulation does not make pre-paid collection model

for MSO in DAS mandatory. For example, some of the parameters of quality of services relate to collection of the subscription amount and MSO may not be in a position to adhere to them because it is not collecting the subscription amount.

- c) The imposition of financial disincentives is upon MSOs for activities which are jointly undertaken by MSOs and LCOs. Since MSOs interact to their subscribers through LCOs, putting financial disincentives upon MSOs alone puts them at great risk of suffering financial losses for actions which may not be under their direct control.
- d) The pre-paid option will reduce the disputes between the MSO and subscribers; ensure better collection and realization of revenues and help the subscribers to efficiently budget their bills in accordance with their paying capacity.
- e) For cable TV service, service tax and entertainment tax, as applicable, are required to be collected from the subscribers and deposited with the Government. In the case of pre-paid model, the collection of taxes from subscribers and their deposit with the Government will be streamlined.
- f) It will bring transparency in the payment procedure and will also ensure better and faster resolution of complaints through online redressal of complaints.
- g) The bills for charges due and payable by each subscriber get generated by MSOs and delivered to the LCOs. There is, however, no certainty as to the delivery to the end customer, which, in effect, may not happen, as against the regulatory requirement. Absence of details also prevents issuance of receipt since there is a yawning gap between the actual collection and the amount billed. Further, in many places, LCOs also do not permit the implementation of packages. This

also leads to failure to comply with the requirement of itemized billing to indicate the price of individual channels or bouquet of channels, charges for set top boxes, taxes along with rates of taxes levied and charges for value added services, if any.

- h) Despite digitalization and addressability, which required huge investments by MSOs, the revenue realization on ground requires adequate cooperation from LCOs which has always been an extremely difficult task. Accordingly, MSOs are not able to collect their due share from LCOs in a timely manner. LCOs maintain cards for the purpose of keeping the record of collection of monthly subscription fee from its subscribers. There are complaints that monthly receipts are not given to the subscribers or payment is not informed in timely manner to MSOs to update its Subscriber Management System leading to disconnection of signals.
- i) Some other service-oriented sectors such as railways have mandated prepaid mode of payment by users. This has not led to any inconvenience for the customers, and carries significant advantages. These sectors have a compulsory pre-paid model mandated by law (Sections 50 and 55 of the Railways Act, 1989. In railways, Section 55 of the Railways Act, 1989 prohibits any person from entering or remaining in any carriage on a railway for the purpose of travelling as a passenger unless he has with him a proper pass/ticket/permission. Such ticket can be obtained by any person desirous of travelling on a railway upon payment of the fare, as per Section 50 of the Railways Act, 1989. It is clear that the payment of fare for travelling in railway has been mandated under law.
- j) In case of 'entertainment', which includes any exhibition, performance, amusement, game, sport or race, etc. in the state of

Delhi, tax is levied on admission to an entertainment, as per Section 6 of the Delhi Entertainments and Betting Tax Act, 1996. Moreover, no person is allowed to be admitted to any entertainment or gain entry except with a ticket in the prescribed form denoting that proper tax payable has been paid, as per Sections 9 and 10 of the Delhi Entertainments and Betting Tax Act, 1996. These provisions by implication make it clear that the entertainment sector has the provision of mandatory prepaid model by users. It is important to note that the same tax is levied and collected on cable and video services under the same Act (Section 7). Therefore, adopting a similar approach as other forms of entertainment and making prepaid model mandatory for DAS in cable services would be best suited from a taxation perspective as well.

The electronic pre-paid systems have the facility to record the amount paid by the subscriber in each subscriber account, calculate automatically the validity period based on the price of the subscribed services, automatically adjust the available amount as per the services already availed by the subscriber, and recharge the account through various modes like recharge vouchers, ATM machine, short-message-service, mobile/net-banking, auto-debit facility, etc. Therefore, mandating prepaid option of payment for DAS subscribers will ensure that an electronic trail is maintained for all payments made by subscribers, which is not the case at present.

DTH Broadcasting Service (Standards of Quality of Service and Redressal of Grievances) Regulations, 2007 (“**DTH QoS Regulation**”) does not specifically impose obligation on DTH operators to offer their services to

the subscribers on both pre-paid and post-paid option, whereas an MSO must:

- (i) compulsorily offer his services at both post-paid and pre-paid models;
- (ii) leave the option to be exercised at the hands of the subscribers;
- (iii) provide itemized usage in both pre-paid and post-paid models;
- (iv) face penalty/financial disincentive in the event of failure to comply. Different regulations relating to pre-paid option applicable to MSOs and DTH operators puts MSOs at a disadvantageous position and has an adverse impact on it, both financially and operationally. As MSOs in DAS and DTH operators have similar role and responsibilities, they should also be subject to similar payment obligations. There is an arguable case that DAS QoS Regulation relating to pre-paid model should be made in line with DTH QoS Regulation to ensure that MSOs and DTH operators have similar obligations, or else it may violate the principle of level playing field, a well-recognised principle in respect of state actions in the telecommunications and broadcasting sector.

Q43. What should be the billing cycle both for pre-paid and post paid? Please give your comments along with justification.

Response: As far as prepaid customers are concerned; the billing cycle will start from the date of activation of services. However, for post-paid customers the billing cycle is linked to the calendar month. Even the SMS Reports, which are furnished to the Broadcasters are on the basis of the

calendar month, which period can be standardized in case of post-paid billing.

Q44. Should deduction of maintenance related charges for CPE from the pre-paid subscription account be prohibited?

Response: Yes. It is submitted that the amount in a prepaid service is to be only used towards adjustment of subscription fee and/ or any service availed by the customer i.e. Video on Demand etc. The same ought not to be adjusted against repairs, visit charges, maintenance charges etc.

Q45. How Toll Free number and call centre details can be widely publicised among the subscriber?

Response: A multi-pronged strategy can be followed for the same:

- a) Subscribers can be informed through B-Mails, scrolls, etc.
- b) MSOs can show the same on its website home page, consumer charter and manual of practice. A continuous scroll on the website can also be done to hammer the information in subscriber's mind.
- c) The same can also be shown on the copies of bills, pamphlets and leaflets.
- d) Print advertisements can be carried to make consumers aware of company's toll free and call center number details.

Q46. How response time and accessibility of call centre including that of the Call centre executive can be enhanced?

Response: The same can be done in various ways. Few of them are mentioned below:

- a) Call forecasting can be made more efficient.
- b) Call forecast can be made more robust by adequate manpower planning.
- c) Call monitoring can be made more robust by enhancing the response time.
- d) All the reports which can be automated should be done to enhance the response time and accessibility of call centers.
- e) Up to date regular and effective training including soft skills training.

Q47. Please provide your comments on the following performance parameters discussed in preceding paras related to call centre?

- (a) Call centre availability hours**
- (b) Multiple languages in IVR**
- (c) Response time for answering IVR and voice to voice calls**
- (d) Sub menu and accessibility of customer care executive**

Response:

- a) Call Centre availability can be 24*7. However, TAT for calls received beyond business hours should be different, given the dependability on LCO for last mile connectivity and complaint redressal.
- b) Hindi and English languages should be for all Centers. The same can be accompanied with optional regional languages like Bengali, Marathi, Tamil, Telugu and Malayalam.
- c) Calls should be answered within 5 seconds & 80% of calls should be answered within 20 seconds of hitting the IVR.

d) Sub Menu lists such as New Connection Installation, Billing & Collection, Package/ Channel request/ Complaint etc., can be added to enhance the Customer experience. To make this effective, one needs to have LCO accountability and SLA definition on effective redressal.

Q48. What should be the timelines for complaint resolution for different type of complaints at call centre and Nodal officer level?

Response: The timeline can be as following:

- a) Technical Problem/ No Signal- 4 business hours (except for Area Breakdown cases where it can be 12 business hours) at both Call Centre & Nodal Officer Level.
- b) Billing- 3 business days at Customer Care level and 7 business days at Nodal Officer Level.
- c) Package/ Channel Request- 1 business day at Customer Care level and 3 business days at Nodal Officer Level.
- d) Any other complaints- 2 business days at Customer Care level and 5 business days at Nodal Officer Level.

Q49. Can outsourcing of call centre and web based complaint monitoring functions to third party help in increasing efficiency and compliance levels?

Response: Yes.

Q50. What should be the innovative ways to develop a speedy user friendly complaint registering and redressal framework using Mobile Apps, SMS, Online system etc.

Response: It is submitted that the Authority can formulate/ appoint a Core Working Group which can examine the feasibility and technical aspects of using mobile apps, SMS, Online System etc. Once the Report of the Core Working Group is published, the various stakeholders would be in a better position to provide their inputs regarding the same.

Q51. What should be framework for implementation of electronic PMR?

Response: The process of generation of the PMR can be automated at the end of the DPO and the Reports generated can be submitted either automatically or manually to the concerned Authority.

Q52. What should be framework for auditing of the records for QoS regulatory compliance by DPOs? Please suggest appropriate measures along with justifications.

Q53. What should be framework for carrying out survey for QoS compliance and subscriber satisfaction?

Response: In response to Q52 and Q53 it is submitted that as proposed above an Industry Body is required to lay down the QoS Regulations. Once the Industry Body is formed, it can lay down the framework for auditing records, as also carrying out survey for QoS compliance and subscriber satisfaction. The Industry Body will be well-equipped to lay down a

framework which will adequately protect the interest of all stakeholders including consumers.

Q54. What should be the framework and quantum for financial disincentives for non-compliance to the prescribed QoS benchmarks? Please suggest appropriate measures along with justifications.

Response: It is submitted that the industry is in the process of going through a paradigm shift, wherein by December, 2017 the entire country is to be digitalized and analogue signals be switched off. There has been a tremendous amount of investment by MSOs to upgrade their systems, so that they are DAS Compliant. Further investments are required for acquisition of CPE for DAS Phase IV Areas, as also upgrading the Network infrastructure in those areas. It is submitted that after complete digitalization has been achieved, and the Industry has settled down, financial disincentives can thereafter be imposed in cases of non-compliance of prescribed QoS benchmarks. As already mentioned above, there is intense competition inter-se DPOs, resulting in the DPOs maintaining proper QoS and ensuring customer satisfaction.

Q55. Should all channels carried on the platform of a DPO must be included and shown in the EPG? Justify your comments.

Response: A majority of MSOs, show the entire list of channels available on their Network in the EPG and not just the channels which have been subscribed to by the customer. As far, as populating the details in the EPG are concerned, the same can be done only if the details are made available to the MSO.

Q56. Stakeholders may also provide their comments on any other issue relevant to the present consultation.

Response: It is submitted that in addition to the issues raised in the present consultation paper a few other issues need to be addressed, which are being set out hereunder:

1. Mandatory publishing of Entertainment Tax and Service Tax Number of MSOs on invoices in terms of Clause 15(2) of the DAS, QoS Regulations:

It is submitted that Clause 15(2) of the DAS, QoS Regulations is causing immense hardship and difficulties to the MSOs. It is submitted that publication of the Entertainment Tax and Service Tax Number on the invoice, makes the MSOs liable for these statutory dues, whose collection is not within the control of the MSOs. 90% of the connectivity of MSOs to consumers is through LCOs and it is the LCOs who are responsible for collection of these statutory amounts. The LCOs do not pass on the amount collected towards taxes from the customer to the MSO. In fact, under the Telecommunication (Broadcasting and Cable Services) Interconnection (Digital Addressable Cable Television Systems) (Seventh Amendment) Regulations, 2016, if the parties enter into a MIA (Model Interconnect Agreement), the liability to pay/ collect the statutory taxes can also be that of the LCO. The standard industry practice being followed for the past many years, is that the LCO is the one who generates the billing for each subscriber, and therefore, it is the Entertainment Tax and/ or Service Tax Registration of the LCO, which ought to be mentioned on the invoice. The MSO through its web portal can facilitate the billing of the customers. In most cases,

the MSO does not have any direct relationship with the customer, and only provides signals till the node of the LCO, who interacts with the subscribers.

- 2. Providing of Warranty on Remotes/ Adapters/ AV Leads:** It is submitted that Remotes/ Adapters/AV Leads (wires) etc. are in the nature of consumables and providing a warranty period for the same is not feasible. These items usually suffer defects on account of misuse/ mishandling by the customer. In the event, the Authority is not inclined to do away with the warranty on remotes/ adapters/ av leads etc. is should consider the maximum warranty period as 3 months for the same. It is submitted that as the DPO is not the manufacturer of the equipment, it ends up bearing the cost for any replacement/ repair in the warranty period. In fact, the manufacturer of the product does not provide any warranty period on remotes/ adapters/ AV leads etc.



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