

COMMENTS BY
DEN NETWORKS LIMITED
ON THE CONSULTATION
PAPER ON -
“ISSUES RELATED TO
QUALITY OF SERVICES IN
DIGITAL ADDRESSABLE
SYSTEMS AND CONSUMER
PROTECTION”

1. Preamble

At the outset we wish to express our sincere thanks to the Telecom Regulatory Authority of India (the Authority) for its support and cooperation in the establishment and growth of Broadcasting & Cable TV industry in India and also resolving various issues, which have arisen from time to time. The Authority has been kind enough to consider the interest of all the stakeholders, whether it is a Broadcaster, Multi System Operator, Local Cable Operator or Consumer and has always been proactive in regulating the sector and have also been keeping the balance by showing its willingness to address the concerns of various market participants thereby also acting like a solution oriented Regulator while keeping the ground realities in mind. In the current situation the focus of the entire Cable TV industry at present is to achieve 100% digitization across the country in its true sense and in letter and spirit. This is especially from the perspective of getting over the current analogue mindset. Needless to mention that process has already involved lots of planning, manpower, funds and includes support from the Government including the Authority.

We at **DEN Networks Limited** also would like to thank the Authority for providing us an opportunity to submit our comments/ response on the Consultation Paper on **“Issues Related to Quality of Services in Digital Addressable Systems and Consumer Protection”** dated 18th May, 2016 as issued by the Authority. We hope that the Authority will surely consider the comments made by us and will accommodate the same while implementing the new regulatory regime in this regard.

2. The Current Scenario/ Background/ Concerns

With the implementation of Digital Addressable Systems (DAS), the Multi System Operators (MSOs) are bound to provide the signals of Cable TV in encrypted mode only to the consumers. In order to comply with the said requirement and to ensure digitization, MSOs have already spent crores of rupees in setting up digital control rooms, procuring set top boxes, maintaining cable lines, getting contents from the Broadcaster, which in itself has been a humungous task. It is a well-known fact that not only small independent MSOs but even big Pan India MSOs are facing huge difficulties in meeting up with the financial requirements due to availability of bank finance. Moreover, India is a huge country comprising not only of metropolitan cities but also remote villages. Providing signals to the consumers in remotest areas comprising of small towns, villages etc. requires huge amount of investments and deployment of additional resources which also adds up to the burden and the overall cost of the MSOs. The MSOs are facing huge financial crunch and this requires continuous support from the Government and the Authority in view of the regulatory compliance perspective. The Authority with an objective to regulate the Cable TV market has notified various regulations and tariff orders from time to time, which *inter-alia* includes *“Standards of Quality of Service (Digital Addressable Cable TV Systems) Regulations, 2012”* dated 14th May, 2012

(QoS Regulations) and now have come up with the current Consultation Paper.

We would additionally like to state and bring to the knowledge of the Authority (the following factors for its kind consideration:

(a) The regulator while regulating the industry inadvertently should not over regulate or micro regulate. There are many things which can be left open to the market forces. Over ambitious regulations, contradictory/inconsistent with the existing central acts should not be framed. If the regulations are being framed then it must be ascertained in advance whether the regulations sought to be framed can be easily implemented or it would remain in law books only and can never be implemented in reality.

(b) It is further respectfully stated that the current mood of the industry should be empirically judged by the regulator before making regulations. Mood of the industry means the real objectives sought to be achieved in the near future, expectations of the stake holders, problems being faced by the industry players at different layers and whether the objects of the regulations being framed are matching up with the current objectives of the industry vis-a-vis its stakeholders. The endeavor of the regulator should be to monitor the industry first and then decide whether the regulation/tariff orders sought to be notified are actually required within the current framework of the industry. There should be any regulation just for the sake of having regulation.

(c) It is also our view that the regulator must ascertain whether the regulation sought to be notified would match the test of judicial scrutiny if challenged before the competent forum of jurisdiction. While doing this, the regulator should keep in mind the latest applicable judgments and relevant statutory provisions.

(d) We would also like to highlight that there are aspects to the existing QoS Regulatory Framework, which may require a review. Certain aspects in the QoS Regulations, are causing difficulties and hardships to MSOs. Some of the requirements under the QoS Regulations, as applicable to MSOs are discriminatory vis-à-vis other platforms i.e. Direct to Home (DTH). For e.g. 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-paid model has been continuously misused by the LCOs/ consumers 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. We once again reiterate that a compulsory prepaid model should be mandated.

(e) 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.

(f) Going forward it is proposed that rather than the Regulator, itself handling all QoS related issues and 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.

3. DENs Response w.r.t this Consultation Paper

Q-1. What should be broad contours for a QoS regulatory framework for digital addressable systems? Please furnish your comments with justification.

A-1. The first thing which needs to be pointed out is that the issues should be industry regulated. It is submitted that there are manifold complications involved in the broadcasting sector and the regulations should be formed considering the ground realities at hand. Self-regulation is required and TRAI has already come out with the Model Interconnect Agreement (MIA) and Standard Interconnect Agreement (SIA) which has to be executed between the MSO and LCO. Also the subscriber should be made aware about the services catered to him, package which is being availed and the amount which he is paying. Consumer awareness should be the priority issue which needs to be addressed very cautiously. There is a real need for developing a consistent and uniform QoS regulatory framework across all addressable platforms.

The QoS framework therefore would be ideal if governed by an Industry led 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 and regulatory experts. The Industry body may lay down the parameters and regulations, pertaining to QoS, which can be achieved by the stakeholders, while taking into account the consumer interest. Going by the current scenario it is evident that no useful purpose is served by laying down standards, which has not been achieved by even a single service provider.

It is proposed that the Industry body be permitted to be formed and upon which a period of 2 months shall be given to come up with the QoS Regulations. The same can be tried out for a period of at least 2 years. The Industry body shall work under the aegis of the TRAI, and the Regulator can always step in or direct the Industry body to look at certain aspects.

We would also like to highlight the various examples of Industry Bodies successfully implementing Self-Regulation. Some notable examples of the same are the Broadcasting Content Complaints Council (BCCC), News Broadcasters Standards Authority (NBSA) 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 DPO – 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, 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.

Q-2. 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.

A-2. While there is no dispute that there should indeed be a uniform regulatory framework for quality of service and consumer protection across all digital addressable platforms however the same should be keeping in mind ensuring the basic legal principle that equality should be ensured between equals. 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 infact, 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. The DTH therefore has a basic advantage of being B2C vis a vis the MSOs who are in most cases on a B2B Model. Illustratively in the case of DTH there is an advantage in the event that when some channel is removed from the bouquets / packages there should be a proportionate reduction while on the other hand, the MSO has a bigger challenge in the market and handicaps by them not to being allowed to change the composition of packages under the regulations and also the discriminatory consequence of refund on a-la-carte basis. We submit that in the current scenario we cannot have same regulations for MSOs and DTH operators. It is a reality that about 90% of our business is with the LCOs. There is, therefore, a need to have a distinct regulation for DTH platforms and MSO business. There may however be some provisions that should be aligned for both MSO and DTH players.

Q-3. Should timelines relating to various activities to get new connection be left to the DPOs for transparent declaration to the subscribers? If so, how can the interest of the subscriber be best protected if the connection is not provided in given time frame?

A-3. Yes. In our view this should be left to the DPOs. Also if the DPOs are not able to fulfill the timelines the subscriber has a right to switch over to some other service provider. Market is competitive and hence, it will take its own course. It is fact 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.

Q-4. 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

A-4. Our prime submission is proposed that the laying down of time limits should be left to the DPO themselves. Alternatively the following time limits are proposed.

(a) 48 hours as this is the reasonable time required by the MSO to decide the feasibility to provide new connection in the area. 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) It is submitted that the 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.

Q-5. Should minimum essential information that must be included in the CAF be mandated through regulations so as to maintain basic uniformity? Give your suggestions with justification.

A-5. Unlike Telecom where the compulsion of having a mandatory CAF flows from the Licensing requirement itself especially in the wake of security related concerns and the same being a two way service the broadcasting and cable sector does not have such licensing requirements. It is therefore advisable that until there being strong reasons to continue the 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 discriminatory 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 containing 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.

Thus there is no disagreement that it should contain minimum essential information that must be included in the CAF be mandated through regulations so as to maintain basic uniformity and should contain the details like subscriber name, address, e-mail address of the subscriber.

Q-6. Should minimum font size be specified for CAF? If not, how can it be ensured that important information provided in CAF is given in a manner such that a consumer can read it easily?

A-6. No. There should be no minimum font size to be specified for CAF. However, it should be legible and readable to the subscriber. There should be no specific font and it should be reasonable for the person to read easily. If the font size is big, then the costing will be too high. Environmentally friendly thinking demands saving of papers.

Thus specifying a particular font size would not serve any useful purpose. The same would in itself will 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.

Q-7. Should use of E-CAF be facilitated, encouraged or mandated? Please provide your comments with justification.

A-7. Yes the use of E-CAF can be facilitated, encouraged or mandated as the same being an environment friendly exercise. Details like subscriber name/e-mail/phone no /address should be mentioned on the CAF. It saves door to door distribution exercise. Filling and accepting CAFs can be web based too.

Q-8. 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?

A-8. Yes there should be 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. The essential information should be made available on the website. It is very cost effective and the MSO have extended full cooperation and support.

Q-9. What should be the minimum information to be included in MOP? Please provide details with justification?

A-9. Annexure 4 is reasonable and acceptable too. To the best of our knowledge no complaints have been received with regard to the MOPs of the DPOs there is no need to change the existing framework.

Q-10. Should it be necessary to provide a 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?

A-10. No. It is a humungous and avoidable process. It is stated that printing should be discouraged and should be made available on the website. While being in consonance with Digital India initiative of the government, printing has to be avoided as far as possible

Q-11. Should there be an initial subscription period while providing a new connection to protect the interest of both the subscriber as well as DPOs?

A-11. No, there should not be an initial subscription period while providing a new connection to protect the interest of both the subscriber as well as DPOs. However, the lock-in period of 6 months needs to be modified. If the clause of change of composition is adhered to then the subscribers needs to mandatory give the advance payment for six months due to the reason that in case the subscriber intends to migrate from the very first month, they should not be given any protection. The period of six months should come into existence from the date of package. The agreement with broadcasters is usually for a period of 1 year and generally at the time of renewal of agreement most of the subscribers will be in

transition period. There is a tendency of subscribers to shift occasionally without making payment and hence, minimum period of service can be avoided.

Q-12. If so, what should be the duration of such initial subscription period?

A-12. In the event if the above is not acceptable and initial subscription is prescribed then it should be initially for three months. Also the subscriber should pay advance of three months due to the reason that in case the subscriber leaves the services without any prior notice the MSO should not incur losses.

Q-13. What protections should be provided to subscribers and DPOs during initial subscription period? Give details with justification?

A-13. Packaging should be for initial 3 months, and in case some of the channels are not in the package either the channels of the similar genre are to be provided or the cost of the package /bouquet should be reduced proportionately. Advance of three months should be taken from the subscribers so that the subscriber may not migrate to some other service provider without clearing the dues.

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?

A-14. In this regard we had already represented to the Authority through our Association AIDCF and we have also filed our response on the various issues faced by us with respect to the extant Regulations in this regard. The relevant extracts from the AIDCF representation which should now be appreciated are reproduced hereunder:

*“One of the concerns of the MSOs is in respect of the regulatory framework prescribed upon MSOs while changing the composition of subscription package. **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.

g) 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.

In light of the afore-said, we request the Authority to revisit the requirement of making refund at a-la-carte rate to the consumers and come out with a requirement which is more feasible and implementable for compliance. We further humbly request the Authority to keep the said requirement in abeyance and not insist upon complying with the said requirement or to initiate any prosecution proceeding against any of the MSOs. Though all the details have been given, if you still need any further clarification, we would be more than willing to do the same upon hearing from you.”

In the light of the aforesaid we once again reiterate 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-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.

A-15. We rely upon the detailed representation made in this regard

Q-16. In following cases what should the maximum permissible time of disruption beyond which subscriber must be compensated?

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

A-16. (a) 24 hours.

(b) Not more than 12 working business hours.

Q-17. In following cases what should be the duration of disruption in service warranting compensation to the consumer and how the compensation should be calculated?

(a) Continued disruption due to technical fault on the DPO network or 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.

A-17. (a) 24 hours with exception to force majeure reasons:

(b) not more than 12 working business hours.

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.

Q-18. 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?

A-18. It is submitted that it should be left to the market forces. It should be included in our manual of practice and should not be specified in the regulations. Industry related body can be formulated to assist developing a common minimum understanding.

Q-19. 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?

A-19. No. In case the STB has to be shifted from one location to another the same may be done by the MSO by taking some charges from the subscriber.

Q-20. What should be the framework to address the concerns of stakeholders (subscribers and DPOs) relating to temporary suspension of service?

A-20. It is submitted that in case of prepaid subscriber, the signals will be temporarily deactivated on his request through e-mail or contacting the customer care department or on the toll free number. In case of post-paid subscribers, it is suggested that the subscriber should give 1 month notice and that too only twice in a year.

Q-21. How issue of abrupt closure of service due to nonpayment can be addressed while protecting the interest of subscribers and DPOs?

A-21. It is submitted that there should be no requirement of notice /public notice. In fact the provision of 15 days notice as specified in the regulations have been often been misused by LCOs to deprive MSOs of their legitimate dues. Right should be given to disconnect in failure of non-payment immediately subject to information through scrolls.

Also as per the model interconnect agreement the LCO has been given directions to report every transaction through the systems thus issues of non-payment can be addressed only through system monitoring and not manually / other manual process.

Thus the present regulatory framework pertaining to disconnection of services to subscribers i.e. Clause 7(1) of the DAS QoS Regulations which 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 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.

Q-22. Is gradual closure of service as discussed in para 8.23 is a feasible option? If so what should be procedure and the framework?

A-22. It is well accepted fact that the word “downgrade” is nowhere mentioned in the regulations. So far as the deactivation is concerned it should be complete in all respects. There should be no down gradation and the channels irrespective of pay channels, all should be deactivated.

Further, 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.

Q-23. What should the procedure and timeframe to inform the subscriber regarding closure of service due to closure of business?

A-23. It is submitted that as per DAS regulations 21 days notice is mandatory which is reasonable. Further 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.

Q-24. 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?

A-24. We submit that there are various schemes which are being offered by the MSOs /DPOs which are lucrative in nature and more beneficial to the consumers. TRAI and MIB have already undertaken various awareness programs to make the subscriber aware about the set top boxes which is being offered to them. Details about the set top box should be clearly given to the subscriber. Website awareness and consumer outreach programs can be initiated.

Q-25. 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?

A-25. It is submitted that consumer friendly common framework of CPE schemes for providing CPE to consumers in digital addressable system should be left to the market forces. TRAI has already given schemes and the MSOs have also given lucrative schemes to the subscribers.

Thus there being no requirement for a common framework for providing CPE to consumers and the same should be under forbearance. Mostly 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.

Q-26. 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

A-26. We submit that minimum essential information related to a CPE scheme that must be made available to the consumers to safeguard their interests should be the following:

1. Warranty on the set top boxes,
2. Guarantee on the set top boxes
3. Cost of the scheme and details about the annual maintenance charges
4. Nature of scheme provided to the subscribers
5. Procedure for surrender/method for return of boxes.

Q-27. What measures may be adopted to ensure availability of good quality CPE to consumers?

A-27. We state that we can provide quality CPE to consumers, however defects arising out of environment and network condition are beyond the control of DPOs. Sometimes it happens due to mishandling on the part of customers also. MSO have bought good quality CPE with a service life of about 8 years. BIS standards have been followed for imports by the MSOs.

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.

Q-28. Should any charges such as visit charges, etc. Be charged from the subscribers during guarantee-warranty period?

A-28. This depends upon the schemes opted by the customer. For faults not related to network, DPOs should be given the liberty to charge the customers.

A visit is cost to the DPO and deserve to be compensated and thus should be left upon the DPO. 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.

Q-29. What should be provisions for maintenance of CPE after the expiry of guarantee- warranty period?

A-29. It is for the DPOs to implement the schemes and should not be regulated by the regulator. Market forces are equipped and responsible enough to sort the issue.

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.

Q-30. 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?

A-30. It should depend upon the scheme, the refund policy related to the scheme offered by the DPO.

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***

A-31. Existing parameters are fine.

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.

Q-32. What are the different methods to effectively increase consumer awareness?

A-32. To increase consumer awareness tools like running of scrolls, advertisements, paper ads, details on the website should be widely used. There should be at least one advertisement in every six months besides LCO interaction, open house meetings conducted by MIB/TRAI.

Q-33. How consumer related information can be effectively provided to subscribers through DPO website. What minimum information should be provided through consumer corner?

A-33. We submit that everything is available on the website and it should be informed only through website. Minimum information which needs to be provided by the consumer is name, address, registered mobile number and email.

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.

Q-34. 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?

A-34. It is a good suggestion that outsourcing to the third party for various web based operations be permitted especially for smaller DPOs and it should be implemented. Due care should be taken that decimation of information should not be misused. There should be some limitations / parameters on which the third party should operate and very confidential information should not be shared with them.

Q-35. 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 adversely impact the viewing experience?

A-35. We state that guidelines for running scrolls or other onscreen displays should be that it should run below the line without interfering the content and the scroll should be permitted with proper authorization. However, any change initiated by the subscriber through his remote should be allowed.

Q-36. What options can be used for verifiability of subscriber communications for any change in service or provision of additional service?

A-36. Options such as registered mobile number/ registered e-mail address of the subscriber should be used as a mode for verifiability of subscriber communications for any change in service or provision of additional service. Nowadays, registered mobile number is the most convenient method on which the subscriber can be reached easily.

Q-37. What should be the duration to preserve such verifiable subscriber communications requesting change in service or provision of additional services at DPO level?

A-37. The duration to preserve such verifiable subscriber communications requesting change in service or provision of additional services at DPO level should be six months. Anything above would be unreasonable.

Q-38. What should be optimal number of channel packages which meets the subscriber demand and are well understood by the subscribers?

A-38. It is stated that optimal number of channel packages which meets the subscriber demand and are well understood by the subscribers should be left to the market forces. The stakeholders have a good experience of the channels which the subscribers need and are aware of the taste and accordingly the channels / packages are designed.

Q-39. How the package offerings can be improved in case of cable TV services so that effective choice is made available to the consumers?

A-39. It should be left to market forces.

Q-40. Whether the choice of pre or postpaid method should be mandatorily made available to the subscribers?

A-40. We state that it is the option of the DPO to choose the payment module for the effective business. In many cases, postpaid method has been misused by certain stakeholders to deprive the DPOs to get their legitimate dues. This has been highlighted by the DPOs to the authority hence prepaid is the best module and should be mandated. In any case DPOs are saddled with huge responsibility of paying statutory dues and at the same time do not have the coercive power to collect.

Q-41. What should be the essential information contained in the monthly bill/ usage details to be provided to subscribers in postpaid or pre-paid system?

A-41. The essential information contained in the monthly bill/ usage details to be provided to subscribers in postpaid or pre-paid system should be the subscriber name, package details (name of package) and the amount which needs to be paid by the subscriber including applicable taxes.

Q-42. Should pre-paid method is encouraged in case of cable tv services provided though LCOs? Support your comments with justification

A-42. Yes it should be encouraged in case of cable TV services provided though LCOs. Indeed in our submission the same should be mandated. It will lead to transparency and would avoid outstanding issues and at the same time will help in generating more revenue.

**Q-43. What should be the billing cycle both for pre-paid and postpaid?
Please give your comments along with justification.**

A-43. It should be the last day of calendar month. In case of prepaid module it can be any day of the month.

Q-44. Should deduction of maintenance related charges for CPE from the pre-paid subscription account be prohibited?

A-44. Yes.

Q-45. How toll free number and call center details can be widely publicized among the subscriber?

A-45. Currently this information is available on website and on certain error codes in Cisco box on 'channel unauthorized error'. However, it can be publicized through pamphlets and SMS.

Q-46. How response time and accessibility of call centre including that of the call centre executive can be enhanced?

A-46. Existing regulation is 80/20 and 95/40 for electronically answering and 80/60 and 95/90 for voice to voice answer, existing guideline is good enough to maintain. We state that all abandoned calls should be routed through IVR. However the executives can be provided trainings and encouraged in group discussions so that the executives can improve their quality and achieve consumer satisfaction.

Q-47. Please provide your comments on the following performance parameters discussed in preceding paras related to call centre?

A. Call centre availability hours –

- Currently cable is from 8 am to midnight and its adequate.

B. Multiple languages in IVR–

- We have 4 languages on IVR, Hindi, English, Bengali & Marathi. Regulation says that IVR should speak local language of the region, if this is to be followed then we need to have IVR in 10 languages along with agents to speak that language and it becomes extremely complicated.

C. Response time for answering ivr and voice to voice calls –

- Current guidelines as stated in Q46 are sufficient for implementation.

D. Sub menu and accessibility of customer care executive –

- Regulation indicates third level as option to speak with agents, ours is second level and we comply currently with no sub-menu at level 2.

Q-48. What should be the timelines for complaint resolution for different type of complaints at call center and nodal officer level?

A-48. Currently its 24 hrs and at nodal its 10 days and it should be changed to 48 hours for call center complaints and 10 days for nodal.

Q-49. Can outsourcing of call center and web based complaint monitoring functions to third party help in increasing efficiency and compliance levels?

A-49. Yes. We at DEN have already outsourced the call center services and can monitor these parameters efficiently.

Q-50. What should be the innovative ways to develop a speedy user friendly complaint registering and redressal framework using mobile apps, sms, online system etc.

A-50. Absence of RMNs will result in failure of any such system for us, for us currently, calling up CC helpline and stepping out to LCO are the only primary means to register a complaint

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.

Q-51. What should be framework for implementation of electronic PMR?

A-51. The report should be generated through system only. There is a possibility of error and incompleteness in case of manual reporting.

Q-52. What should be framework for auditing of the records for qos regulatory compliance by DPOs? Please suggest appropriate measures along with justifications

A-52. Framework for auditing of the records for qos regulatory compliance by DPOs should be left to the industry to decide. Industry body may report to TRAI.

Q-53. What should be framework for carrying out survey for qos compliance and subscriber satisfaction?

A-53.It should be for the industry body to decide.

Q-54. 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.

A-54. Framework and quantum for financial disincentives for non-compliance to the prescribed QOS benchmarks should be made effective after completion of digitization of DAS-III and IV. It is a known fact that digitalization has been an exhaustive exercise and we have been committed to the same. Many a times it has

been seen that the LCOs are non-cooperative and due to their negligence the MSOs should not be made to suffer huge penalties.

Q-55. Should all channels carried on the platform of a DPO must be included and shown in the EPG? Justify your comments

A-55. No. It should be subject to availability. EPG is a paid free service and the subscriber may not be requiring EPG on all channels. In case the subscriber requires EPG he should request the DPOs/mso to provide the same by making payment.

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.

Q-56. Stakeholders may also provide their comments on any other issue relevant to the present consultation.

It is respectfully 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 much less 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.

2. Providing of Warranty on Remotes/ Adapters/ AV Leads:

Providing Warranty or not is matter of contract between the seller and Buyer and under the provisions of contract law should be left to market forces. The TRAI therefore should not be getting into the choice of the provider. 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. It is also to be appreciated that 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 if the manufacturer of the product, does not provide any warranty period on remotes/ adapters/ av leads etc. then by way of regulation a DPO should not be forced to provide the same to the customer.

Additionally, in case of any queries or clarification required by the Authority, we further request the Authority to contact Mr. Ashish Yadav- Deputy General Manager- Legal @ ashish.yadav@denonline.in and Ms. Ritika Arora- Officer- Legal @ ritika.arora@denonline.in.