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TRAI Consultation paper on the KYC of the DTH Set Top Boxes (hereinafter referred as STB's) on the reference from MIB is simple and clear, though MIB never clarified that what is the concern that has prompted the MIB to seek the inputs from the regulator.

It seems that this reference has stemmed out from one factor that DTH boxes of the service providers are being used by subscribers in neighboring countries where the foot prints of the satellite are existing.

The migration of the boxes is a phenomenon which has roots in the economics of the business, if the cost of the services of the DTH in India will be lower for the comparable or the equivalent no of channels then the migration of the boxes will happen from India to neighboring nations. Similar movements are seen in other parts of the world that boxes are available across the national boundaries due to the differential in the pricing.

Similarly in case in a neighboring nation, if the DTH service is not available or viewing of certain content is not available then the movement of the boxes will happen from India to that geography and this is observed in various geographies.

MIB has not clearly mentioned the downside it anticipates from the movement of the boxes from Indian Geography to the neighboring documents which is essential to work out the counter measures if any.

Does the migration of the boxes is causing a revenue loss to the MIB, which cannot be as the DTH operator keeps the Box on subject to the payment of the subscription unless the operator is not mentioning in its own records here.

The Government is not losing any revenue as the License fee and the GST on subscription charges are being levied on the active connection and are being accounted for

Operator is losing the subsidy it incurs on such a box , in it goes deactive after the initial recharge scheme is over, thus it is in the interest of the operator to have KYC of the customer.

Our response to the points for the consultations are enumerated as under.

- 1. Is there a need for KYC or e-KYC of DTH Set Top Boxes to address the concern raised by MIB in their letter mentioned in paragraph 1.5 of this consultation paper? Give your answer with justification.***

Response ; Normally the KYC is required for the services which are having two way financial transactions or can be misused by the subscriber for activities which do not come in the framework of legal regime.

Currently there are around said to be 60 million STB's active of pay DTH operators and DD

Freedish estimates to have 30 million plus subscribers. Has a case of misuse or a use threatening the legal system, national security been reported.

DTH is a one way traffic, broadcast to one to multiple using a small receive antenna, What will be achieved by forcing the KYC on the industry, which means it will add to the cost of the services thus loaded back to the consumers.

Along with the KYC comes the need of data protection, physical paper transporting, or scanned copies being sent , printed and kept, which will result in to a huge national wastage in terms of the paper used which ultimately comes from cutting trees. The world is moving to the electronic or soft copies and no where it justifies the need of the KYC.

The rural customer today which has DTH as the only source of the entertainment and news now will have to provide his KYC complaint documents and by chance his address is different then he needs to provide alternate documents, this is no way in line with the intention to contribute to the ease of doing business which the present Government is trying its best to do or to complicate the issue.

Any such step needs to be supported by rationale and the need of the LBS introduction the rationale has not been made clear.If the rationale for such a reference would have been shared the industry would have given much practical solutions.

The KYC in the DTH is will not serve a practice pupose as the boxes can be moved around and reinstalled at minimal expense and efforts and cannot be known by the DTH service providers. The whole exercise will turn futile in this manner burdening the operators with extra cost.

DTH operators should ensure that the CAF form is being filled by the subscribers at the time of subscribing to the connection and linking the mobile number with the connection will serve the purpose and the mobile no is KYC complaint thus it can be construed the KYC of the subscriber is done. The DTH operators should ensure that they have a digital copy of the same in their systems . DTH operators should have a call back system to the clients once the CAF is received to check the authenticity of the mobile no else the connection should be deactivated within 7 days of the activation and then be reactivated once the details are received by the DTH operators.

2) If your answer to Q1 is in the affirmative, then what process is to be followed?

Response : A separate KYC is not required.

3) Whether one-time KYC is enough at the time of installation or verification is required to be done on periodic basis to ensure its actual location? If yes, what should be the periodicity of such verification?

Response : DTH service providers get the customer CAF filled, at the time of installation, they link the mobile no which is already a KYC complaint connection with the VC, as this is used to recharge, change their packages, send the promotional information or due date information's and easy handling in call center.

Thus this information is sufficient and re KYC is not required as this will add to the cost of the consumer and will add to the consumer hassle because then if KYC is not done the connection will have to be deactivated, the consumer will have to go to a center to get his KYC done, from village a poor person who wishes to have simple entertainment will be going through all the hassles.

4) Whether KYC of the existing DTH STBs is also required to be done along with the new DTH STBs? If yes, how much time should be given for verifying the existing STBs for DTH?

Response: The DTH operators should be having the CAF forms as per the QOS guidelines in their systems and the mobile no linked to the VC, thus in those the DTH subscriber should not be asked to take any action for the existing subscribers.

Where the existing subscriber linked mobile no or the UID is missing they can ask for the same by giving on screen messages to such subscribers to complete the same in next 4 weeks.

For the new subscribers DTH operators should insist on the CAF forms, Id Proof and Mobile numbers with 7 days of sale to the subscriber else the connection to be deactivated and the to be reactivated only on the provision of the documents by customer and receipt at the repository of the DTH operator.

The DTH operator should not pay any sales or marketing incentive to their dealers or distributors till the forms are received by them in electronic or physical form. As in the quest of the higher incentives the dealers and distributors get the connections activated and then are sold later on without any credible proofs of the CAF form and supporting documents.

5) Whether the location-based services (LBS) needs to be incorporated in the DTH set top boxes to track its location? Will there be any cost implication? Give your response with supporting data and justification.

Response : The implementation of the LBS device in the STB is going to add to the cost of STB and also monthly charge on the box. What is the objective for the same.

To install a LBS enabling device means adding a return path mechanism in the STB and most feasible will be to add a mobile SIM module in the box so that it can send its periodic status on the location which can be tracked on the system.

Questions here are

- 1 The cost of the STB will increase , who bears the same
- 2 Who will bear the cost of the data being incurred to continuously track the box, ultimately it will go to the consumer
- 3 What will be the perceptible benefit to the consumer with this ???
- 4 Every implementation has three objectives,
 - a. It should help the Licensor or the Regulator to ensure that business is conducted as per the guidelines.
 - b. It should be in the interest of the consumer
 - c. It should make business case of all to survive.

The implementation of the LBS device will not add any perceptible benefit to the same. Thus in our view the suggestion does not holds merit.

The question is that what benefit will it bring to the licensor or the regulator, how many boxes are moving out of country, does MIB has that estimate. Cost will be incurred on 100% of the boxes being sold in the market for a very meager number of the boxes which migrate and Local based Services device may not work due to network issues and operator assumes that they have gone out the country and shut the service harassing the consumer.

6) Any other issue relevant to KYC of DTH Set Top Boxes?

a) Filling of KYC form and verification of Aadhar Card may be mandatory for any customer purchasing DTH equipment. In order to check location in accordance with

customer ID /Card ID, location-based services need to be made active in DTH Set-Top-Boxes.

Response :

A) The customer can provide any identification document which gives the address of the customer, the customer can provide his or her UID but he should be free to provide other IDs and should not be deprived of the connection for want of UID.

B) The response to the LBS device has been provided in response to point no 5 above. In our opinion the LBS devices are not required to be implemented.

b) The DTH operators may be asked to operate on satellites having coverage in India only. They can block the services of the identified foreign customer for which checking of KYC and physical verification of DTH boxes of each subscriber may be carried out on regular interval.

Response:

The coverage of the satellites are dependent on the footprints of the satellite. The international satellite service providers design the services which can cover a larger geographical area and thus can provide services to a greater landmass. This is done to ensure that marketability of the satellite is not restricted to one nation or one customer, and it is natural that considering the costs of the satellites which are humungous the risk of recovery of the cost via revenue is not dependent on one nation.

Thus having the satellite capacity with contours only matching Indian boundaries may not be feasible economically for the foreign satellites, and the Indian Capacities are not available currently to cater to the demand of all the DTH satellite providers.

c) GPS enabled Set-top-Box (STB) with geo-fencing to Indian coordinates only may be used to restrict the illegal DTH run in other countries.

Response : We have already elaborated on the views that GPS enabled boxes may serve the purpose of tracking the boxes but will add to the cost of the boxes significantly, and also there will be monthly operating cost and who will be bearing the same will have to be agreed upon.

Instead the

d) MIB and TRAI may prepare KYC verification process to ensure that STB used by Indian DTH operators are only working in India.

Response : The process of filing the UID document or any other suitable ID proof giving the address of installation with the CAF will serve the purpose in addition to these service providers can take the following steps

- 1 They can do a onboarding call to customer to check and verify their addresses on the mobile number provided
- 2 The DTH service providers can restrict the use of International credit cards not issued in India to recharge the services
- 3 The DTH providers can block the IP addresses which are not originating from India for the recharge.
- 4 The DTH operator can do random call on the connections which are subscribed to a longer period to check the installation is there.
- 5 DTH providers can use their data analytics to check the long duration recharge and no complaint connections and do a random physical for a x nos of connections to check the installation address matches with the CAF and in case of any deviation the connection is deactivated.