

COMMENTS ON COMMERCIAL INTER-OPERABILITY OF CPE DTH SERVICES

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1. No DTH operator ever issues an itemized invoice/ bills for CPE components viz (a) cost of reflector in mini dish antenna inclusive of mounts, (b) cost of LNB, (c) cost of coaxial cable, (d) cost of 2 Nos 'F'Connectors, (e) cost of external power supply, if applicable,(e)cost with make and type of STB(Set Top Box), cost of remote hand set, (f) installation charges, (g) taxes and (h) any other charges such as extra cable length or additional STB etc.
2. No DTH operator can practically indulge renting or hire-purchase schemes since CPE is supplied pre-paid and the subscriber can re-locate the CPE fully or in parts from the location where installed first time without any means of such detection by the service provider.
3. Provision for refund(non-interest bearing security deposit) arises (a) if lien on equipment is NOT transferred meaning that equipment continues to be owned and entered in the inventory of the DTH operator even while in use by the subscriber and (b) responsibility for un-interrupted serviceability rests with the lien holder.
4. No scale or basis for calculating depreciation is found in the consultation paper. Drawing observation from telecom industry mobile handsets depreciate @ 50% per anum. CPE for DTH has no re-sale value implying that its depreciation is 100% as soon as it is installed.
5. CPEs installed as free add-ons on purchase of a new TV receiver with a few months free viewing of DTH content are NOT concerned in this paper. To whom will such a CPE be returned? TV salesman or DTH service provider?
6. Basis for arriving at collection charges at Rs 150/- , when visiting charges for a service engineer after expiry of warranty period are Rs 175/- appear un-realistic from business point of view. A district covers approximately 400 to 800 sq kms. For any outage normally two persons constitute a truck roll. Conveyance costs, to the service employer for using a two wheeler with Rs 65/- for a litre of fuel plus wear and tear @ Rs 0.50 per km taking a trip to be approx 40 kms i.e Rs 20/- too need to be considered. Technicians, on an average cost Rs 40/-per hour at their work station. Hence two persons absence for approximately four hours costs Rs 320/-. Thus a total non-productive/profitable cost works out to Rs 405/-. Hence the figure of Rs 150/- in the consultation paper appears un-reasonable.
7. Damage to CPE electronics is generally caused (a) by un-regulated power supply while running on generators or invertors (b) heating of STB by users covering the vent holes in the STB (c) arcing at mains sockets (d) dropping the remote hand set on bare floor. All these tantamount to misuse/neglect and thus cannot be attributed to manufacturing defects. Hence restoration of serviceability free of cost not attributable to manufacturing defects cannot be mandated and hence would NOT be maintainable in a court of law. In any case most mal-functions surface in the first 90 days of use which are covered in the warranty.
8. It is also food for thought whether such provisions prevail on mobile telephone handsets industry? That electronics is costlier.
9. What should be mandated is (a) CPE shall be provided FoC (free of cost) against a non-interest bearing refundable security deposit to the subscriber so that lien on CPE continues to rest with the service provider (b) such deposit would be refundable on return of CPE in full

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or part as per original invoice provided at the time of activation of service at designated collection places with original invoice and receipt for deposit (c) provision needs to be made for dispensing with return of security deposit against written application for discontinuing the service and deactivation of subscription in the SMS within a specified time.

10. In some cases the subscriber may only have to change the STB and remote hand set from an alternative service provider since the mini-dish together with LNB can be re-oriented to a different satellite location by the service technicians of the new service. These technicians shall also explain to the subscriber features of EPG and details regarding customer care. However question will arise regarding warranty/ restoration of serviceability to the hardware provided by the earlier service provider who shall have no obligation for the same after deletion of subscriber in their SMS. In such a case warranty shall supposedly apply only to STB and its remote hand set.
11. It may also be appreciated that DTH, world wide, is serviced in wireline broadcast dark areas. In India it is promoted in competition with wireline broadcast (Cable TV) services. Hence careful thought needs to be given to regulations drafting keeping in mind user location situated a few hundred kms from road or rail head and cost of truck rolls in those remote areas too.
12. DD DIRECT does NOT encounter commercial inter-operability problems because their service is neither addressable nor conforms to DTH guide lines. In their case CPE is always to customer's cost.
13. DTH services, other than DD DIRECT, only fall in the purview of this consultation. Hence regulations should be practical from cost to business point of view too. Nothing should be mandated to cause monetary losses to service provider.