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Advisor
 Telecom Regulatory Authority of India (TRAI)
 Mahanagar Door Sanchar Bhawan
 Jawaharlal Nehru Marg (Old Minto Road)
 (Next to Zakir Hussain College)
 New Delhi - 110 002

Re: Comments to Consultation Paper

Dear Sir,

This has reference to the Consultation Paper no. 14/2008 dated 1st December 2008 issued by the TRAI on issues relating to Quality Of Service Issues For Non CAS areas and DTH Services ("**Consultation Paper**").

We welcome the initiative taken by the TRAI for releasing the Consultation Paper and seeking views of the stakeholders on issues addressed therein and hereby enclose our comments in this respect.

Thanking you

Yours sincerely,
 For Neo Sports Broadcast Private Limited


 Authorized Signatory

~~DA (B & CS)~~

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Telecom Regulatory Authority of India Mahanagar Door Sanchar Bhawan Jawaharlal Nehru Marg, New Delhi - 110 002	
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TRAI CONSULTATION PAPER

NO. 14/2008

DATED 1st December 2008

ON

**QUALITY OF SERVICE ISSUES FOR NON CAS
AREAS AND DTH SERVICES**

RESPONSE FROM

NEO SPORTS BROADCAST PRIVATE LIMITED

Neo Sports Broadcast Pvt. Limited
Neo Sports Broadcast Pvt. Ltd.
www.neosports.tv

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TRAI Consultation paper No 14/2008 on Quality of Service issues for Non CAS Areas and DTH Services

Introduction: At the outset Neo Sports appreciate for the various steps taken by TRAI with respect to cable industry from time to time and it is rightly observed by the Authority that there is a long way still to be covered in order to streamline various other unresolved issues to have a win-win situation for all the stake-holders including the Customers.

We really appreciate for the recommendations made by the Authority in various annexures attached to the Consultation papers and fully support them.

In addition in response to the captioned Consultation Paper; Neo Sports is pleased to place herewith its views as follows :

Issues for Consultation and our Reply :

Issue : 4.1.1 to 4.1.4 :

Please offer your comments on the areas and parameters of Quality of Service which need to be covered in such regulations (refer para 2.16)? Please offer comments whether QoS parameters should also be made applicable to voluntary CAS networks in non-CAS areas. If yes, then please indicate what should these parameters be.

Our Reply:

1. Procedure & Timeliness for Connection, Disconnection and transfer of Cable Services :

Reply :

- MSO/LCOs should provide details of all the Channels along with the price thereof in writing to the Customers before installing a new connection,
- On the basis of the above details an Application Form (duly numbered) needs to be filled up by the Customer which should be preserved (for a minimum period of 3 years) by MSO/LCO and a copy of such Form should be retained by the Customer. The Application form must also include the contact details of the local Authority where subscribers can report their grievances in case there is any breach of QoS.(Police Commissioner or District Manager or Nodel officer)
- Accordingly a Form for disconnection and transfer of Cable services should also be received from the Customers indicating clearly the reasons for the same.
- Based upon such Form an agreement (duly numbered, if possible the number should be apropos to the Application Form) need to be executed between LCO

and the Customers for new connection. And in case of disconnection/transfer the reason to be duly examined.

- After such execution; new connection/disconnection/transfer should take place within three working days of receipt of such Form/Agreement failure of which a written communication to be sent to the Customers clearly stating the reasons for delay.
- The new connection should be for a minimum period for 6 months.
- In case it is not feasible to give the connection to the Customer; the reasons should be intimated to the Customer in writing and a copy of which should be retained by the MSO/LCO for a period of one year. Also in case MSO/LCO is not authorized by any broadcaster to distribute the service in any particular area he (MSO/LCO) should immediate refuse the Customer belonging to such area asking for new connection.
- Detailed records of the Customer must be entered (such as name and address of the Customer, number and channels subscribed/ provided with channels placements details by him, amount being paid by him etc.) in the records of the MSOs/LCOs.
- The records should be available for the inspection for the statutory authorities and broadcasters for verification.
- The records should be maintained by MSOs/LCOs in soft and hard copies.
- The quality of the signals to be maintained and the signals should be supplied continuously and without disruption. Insertion or superimposition of advertisements of any nature should not be allowed.
- In case the frequency of any channel is to be changed the same is to be done by giving 3 days notice by Scroll to the Customers.
- The disconnection should be done only when there is default by the either party of any of the material terms of the executed Agreement such as non payment, piracy etc.
- After giving a notice for three days for remedy of default the connection may be disconnected without any further notice; however in case of Piracy the signals should disconnected immediately without any notice.
- **Termination of Service :** The Operator should inform the Customers in case the service is being dis-connected by giving 3 days notice along with the reasons thereof and in case the services are being dis-connected by the Broadcaster, the contact number of the broadcaster should also be mentioned in the communication.

2. Procedure for billing and handling complaints including Overall complaint handling procedure :

Reply :

Procedure for billing:

- Subscribers must be billed on the agreed interval (preferably on monthly basis) The Operator should raise monthly invoice and provide receipt (as per the sample invoice/receipt submitted to the Authority at the time of registration).
- The bill should indicate the name and number of channels subscribed by the Customer, amount of subscription fee and amount of taxes separately in addition to the Service Tax Registration Number, Entertainment Tax Registration number of MSO/LCO, Date of invoice etc.
- The due date should be fixed at the time of new connection which may be changed with the consent of both the parties.
- The invoice/bills should reach to the Subscriber 7 days before the due date. The Invoice and receipt should be delivered personally.
- The LCO/ MSO must issue a proper receipt to all the Customers within seven days of receipt of Subscription fee.

Procedure for handling complaints:

In addition the recommendations made by the Authority in Annexure A; we further suggest following

A) The Operator should maintain a customer service center or help desk at-least for 8 hours a day, 7 days a week. All complaints shall be registered in to Complaint Register and complaint number issued for each complaint. Also he should inform the customers the name of the person (within the system) to whom complaints may be addressed if any inquiry or request has not been handled to the satisfaction of the customer in the ordinary course of business; technicians attending to complains must carry identity-cards for security purpose.

B) The Operator should maintain the record containing all complaints filed by the subscribers. The records shall include name & address of complainant, date and time of filing complaint, type of complaint and redressal date and time with the confirmation of the consumer that the complaint has been redressed.

MSO/LCO should send a monthly report of such complaint redressal (as every company sends to SEBI) and present the records whenever called upon by the Authority.

- C) The Operator should take all necessary steps like provision of alternate power supply for at least 6 hours, to minimize the incidence of service interruption for power failure.
- D) LCO/ MSO must also maintain a collection centre allowing Subscribers to pay/ drop their payments in case the subscriber wish to pay as per convenience. In such cases Subscribers can make payments in Cheques or pay order. Drop Box payments must receive their receipts on recovery of the payments.

3. Procedure for services relating to provisions of digital decoders :

4. Change of channels :

Change of positioning of TV channels should not be normally done. In case of pressing technical reasons requiring changes of TV channel position is required; the cable operators shall notify subscribers at least two days in advance of such occurrence. The Operator should take all necessary steps to avoid interruption of cable service to its subscribers.

- The agreed channels should be continuously shown to the Customers during the Term of the Agreement
- Frequency of channels must be maintained for a minimum period of two months.
- In case of change the Customers and the broadcasters should be duly informed in writing stating the reasons thereof.
- The channels should not be replaced without taking consent of the Subscribers by way of running a scroll.
- In case more than 30% subscribers object to repositioning of channel position / frequency the same may not be allowed. The objection to be reported to the local Authority , which TRAI have appointed such as the Police commissioners or the DM. An NOC from the authority to this effect is to be collected by the MSO/LCO before effecting the change.

5. Rebates in case of interruption:

MSOs/ LCOs must carry without interruption and any modification on continuous basis all channels he has subscribed to. Failure of which not only shall affect the consumers as they will be deprived of the channels they have subscribed to but also the broadcasters prejudicially as interruption may sabotage the rating of the channels affecting the advertising revenue prejudicially. The MSO/LCO sometime is also paid to sabotage the channel or the MSO/LCO wants to auction the space on basis of carriage fee.

- In case the channels are interrupted for more than two days, proportionate reduction should be given to the Customers
- In case of any live sports event or popular programme including a new or popular movie the refund amount should be equal to one-fourth of the average monthly subscription fee.

6. Technical Standards :

MSOs and cable operators shall match the technical standards set by the BIS for cable Television Networks.

7. Effective monitoring of QoS Standards

- An undertaking from MSO/LCO should be sent to the Authority on monthly basis with respect to compliance of QoS Standards.
- A Certificate from Practicing Chartered Accountant/Practicing Company Secretary with respect to compliance of QoS Standards should be attached along with the undertaking.
- A certificate with respect to such compliance may also be obtained from Broadcasters on quarterly basis.
- In addition the Subscribers may also be invited by local authority (Like Lok Adalat) with respect to complaints and/or compliance of QoS by MSO/LCO, on quarterly basis.
- Random feed back from prominent Residential Societies and Subscribers groups to be taken by the Authority to check the QoS of respective MSO/ LCO.

Issue 4.1.4 : Any other regulatory reform.

A) Deactivation notice :

We are of the opinion that there can not, under any circumstances be an identical period given for disconnection of signals for Commercial Reasons (Such as non payment of dues) and criminal Actions (involving Signal Theft, Piracy, and misuse of any supplied encryption equipment). The present regulations prescribe a period of 21 days notice for disconnection of signals due to any reason. While we suggest that there should be more than one notice period. We suggest that for normal commercial reasons 10 days notice is sufficient while there should be 2 days notice for area crossing, piracy and unauthorized distribution however in case the broadcaster is having the evidence of piracy and unauthorized distribution in such a case 2 hours notice is sufficient unless the piracy is ceased. We consider the same to be appropriate as criminal acts involving piracy can be permitted to be going for a month which will lead to high revenue losses as well as undermining of competitive networks such as DTH.

Particularly the sports channels are adversely affected by 21 days notice. As they buy the rights by paying a huge cost and the duration of event is for 4-5 days ; giving 21 days notice will defeat the purpose of signing the agreement with the operator which will cause a huge financial loss to the broadcaster. MSO/LCOs misuse the 3 week notice period resulting loss of revenue for the Broadcasters especially the Sports Broadcasters. For example the operator who has not signed the agreement start may breach various term of the Agreement such as non payment of subscription fee, not providing of SLR while adding the subscribers/LCOs, pirating the signals by way of providing the signals to Hotels or in the areas in which he is not authorized during a test match of 5 days and earns a huge revenue, may take the advantage of 21 days notice as he knows that the signals will not be deactivated before 21 days. Moreover he may de-activate the services after the match is over by charging the fee from the other operators, hotels etc. and will re-start the service during the match leaving the broadcaster helpless. In addition the payment of subscription fee is withheld by the Operators during the match time and when the matches are over they ask to terminate/deactivate the Services.

B) Three consecutive defaults :

In case three consecutive defaults are proved against the Operators such as piracy or other wise the Authority should take a serious view thereupon even for cancellation of License. Piracy of signals MUST have a serious consequence if proved – like termination of Licenses to operate.

C) Minimum Number of Subscribers :

Minimum number of subscribers should be decided by the Authority to start the cable business. Also in case the number of subscribers are exceeded beyond a particular number the status of operator should be changed to MSO.

D) In order to have the clear **choice of the channels** by the Consumers; The channels to be provided by the Operator should be decided in the following manner :

Suppose an operator can distribute 90 channels, out of such 90 channels :

- 22 should be FTA
- 48 should be decided by the majority of the consumers residing in that particular area. A form should be filled up by the consumer (on quarterly basis) giving his choice of watching the channel.
- 20 should be the choice of Operator

The above method will not only control the carriage fee but will also provide the opportunity to the new channels. Also the consumer will also get the channels of their choice failing of which the Operator will distribute the channels at his own discretion.

(E) MSOs/LCOs must compulsorily carry at least 8 channels each from News, Movies, General Entertainment and Sports genres and at least 4 channels each from the genres which are Children, Music, Regional languages other than the principal language of that state, Documentary/International factual programming. This will provide the consumers variety of channels and will take 48 frequencies adding thereto 4 DD channels will occupy total 52 frequencies which still leaves over 40 frequencies free for the MSO/LCO to decide further on basis of consumer demand and for carriage fee.

(F) PIRACY:- in any form is a major issue that needs to be eradicated from the cable industry. A strict guide line to be laid down for arresting any sort of piracy as all the broadcasters particularly the Sports broadcasters loose huge revenue through Piracy.

MSO and cable operators found indulging into to piracy and if proven and FIR lodged in the local Police Station must be penalized heavily and on repeated offence their Cable License may be cancelled or liable for the damages claimed by the particular broadcaster's signal that has been proved pirated.

(G) Authority , Scope and Structure : As it is evident from the Consultation paper that the time has changed radically and the cable industry has taken a very serious and considerable shape and the future of cable TV industry requires a radical shift. It has become imperative now that a separate specialized authority (we suggest BRAI) should be constituted not only to streamline the registration process but also for other administration and control purpose. It should have the head office in Delhi and regional offices/branch offices in various parts of the country considering the need of the geographical areas, number of households and operators.

So far as the jurisdictions of these registering authorities are concerned; we suggest that there should be one registering authority for one district. All the LCOs/ MSOs operating in a particular district should be covered under the jurisdiction of the registering authority. The MSOs whose area of operation falls within the jurisdiction of different districts, it should seek registrations from the concerned Region/State offices covering such districts and the certificate should be valid for the State and in case the operation spread in various states a certificate from Head Office to be obtained specifically mentioning the name of the states and the details of such MSO should be given by Head office to the State/district office of the Authority. By this way the Authority may have better control, co-ordination and administration. In addition the Authority of a particular area should maintain detail records for all the LCOs and MSOs operating within the jurisdiction of such Authority to have better analysis, consideration and administration for the development of the industry/trade and all the stakeholders so as to pay proper attention to the need and problems of the Customers residing in its region/district.

Structure and Scope of the Authority

We suggest to have the following Structure and scope :

- One Head office
- 4 Regional offices
- Zonal, Divisional/district offices considering the number of households and operators.

Departments :

- Registration Department
- Monitoring & Co-ordination Department
- Research Department
- Adjudicatory Department
- Policy and Strategy Department

The scope of work/ area of functioning :

The role of registering department be made wider than that of the existing registering authority or of the authorized officer under the Cable TV Act. It should scrutinize and

verify the documents at the time of registration and should also review the same from time to time.

Monitoring department should verify the data and a continuous investigation of various information, compliance by the Operators and particularly the number of subscriber base in the area and of the operators should be done by the department. It should also scrutinize the monthly and quarterly returns received from the Operators and thereafter a report should be sent internally to various departments and co-ordinate with various other external departments (such as taxation etc) of the Govt. In addition data collection and monitoring of the cable networks should also be the role of this department. They should maintain all the data and allow inspection as per the rules to be framed by the Authority.

Adjudicatory department should play its role as the Arbitrator between the Consumer and the Operator and Operators per-se. They should scrutinize the complaint register to be maintained by the Operator and a complaint redressal cell should watch the report on monthly basis as SEBI does in the stock market.

Streamlining of Registration Process : As suggested above there should be a separate and specialized authority to be constituted also since the Authority and the Government are also looking at creating an all-inclusive registration process, the Head Post Master of a Head Post Office of an area should no longer be entrusted with the functions of a registering authority. The registration with post office has become a non-serious and routine job. The registration process should be simple through a single window. The registration process should be handled and controlled by a separate section (Registration Section) of BRAI.

Data Collection, monitoring and reports :

We fully agree and second the observation of the Authority - that there has been no mechanism established to receive, verify or maintain the reports while the Cable TV Act provides for submission of reports on the number of subscribers served by cable operators for CAS Area also there exists no such provision/requirement from LCOs and MSOs operating in the non-CAS area.

We also support the proposal made by the Authority in the Consultation Paper for bringing LCOs /MSOs under compulsory subscriber reporting obligations to a specified nodal agency/authority and recommend this reporting be diverted to the Monitoring department of the Authority, as above.

Such subscriber reports should be simple having the basic subscriber details like subscriber name, complete address and the channels they want to watch (so that they do not pose an undue burden on cable operators). The report should be duly signed by the owner/partner/director and attested/certified by a Chartered Accountant and in case of small cable operators (say having subscriber base of 500) the report should be

accompanied by an Affidavit from the Operator. The said reports should be submitted by cable operators with the Registering Authority on a quarterly basis.

It is worth mentioning here that the report can be more meaningful by incorporating the provisions of periodic verification and audit of the said Reports by the Monitoring department. Non-compliance or wrong submission of the report should be taken seriously including automatic revocation of registration.

The above information/data will be important not only for the development of the industry but shall also assist the tax authorities in arriving at the correct connectivity of a LCO/MSO.

DTH

Issue 4.1.5 : Whether the DTH operators should be specifically prohibited from dropping of channels from a subscription package for a subscriber for six months from the date of enrolment of that subscriber, if the channel continues to be available on their platform.

Issue 4.1.6 : Within this period of six months, in case the channel ceases to be available on a particular DTH platform, then whether it would be appropriate to have a mechanism of reducing the subscription charges by an amount equal to the wholesale a-la-carte rate of that channel. *Alternatively*, can you suggest any other methodology for such compensation to the subscriber? Should such compensation be paid/adjusted even when one channel in a package is dropped, and it is replaced/substituted by another channel so that the total number of channels in that package is not affected?

Issue 4.1.7 : Whether the subscribers should also be required to subscribe to any channel/ package for a certain minimum subscription period as in CAS areas. If yes, what should be such minimum subscription period?

Our REPLY :

The issue of dropping of channels from packages by DTH operators is an of course an important issue. It is rightly observed by the Authority that repackaging of channels results in a DTH subscriber being forced to pay more for getting the same content.

Normally the channels are subscribed by the DTH operators from one year to Three years period; hence dropping of channels from existing package should not be allowed, rather DTH Operator should introduce a new package in addition to the existing package.

Dropping of channels from a package not only affect the consumer paying higher amount but also broadcasters.

We endorse the view taken by the Authority that the DTH operators should be prohibited from dropping any channel from any subscription package for six months from the date of enrolment of a subscriber and the DTH operators should ensure that any channel being offered in a-la-carte or in a package to a subscriber would be available in the same mode for the next six months from the time of enrolment and they should accordingly enter into appropriate interconnection agreements with broadcasters. Otherwise, they will have to stop enrolling new subscribers for such a channel/ package six months before the expiry of agreement for that channel. The regulations of course should be in line with CAS Regulations.

Reduction in subscription Fee: In case the channel ceases to be available on any DTH Platform before six months due to negligence of the DTH Operator, the subscription fee should of course be reduced twice the MRP. However in case the channel ceases to be available due to any reasons beyond the control of DTH Operator the MRP should be reduced proportionately.

Minimum subscription Period : We are of the view the channels should be offered for one year with a facility of payment of monthly fee. In case the Subscriber desires he may drop the channels only after six months by giving a written proposal to the DTH Operator stating reason for the drop and a copy of which should be given to the concerned broadcaster by DTH Operator.

4.1.8 Whether there is any justification for visiting charges for “no signal” complaint by the subscribers? If yes, should there be a ceiling on such visiting charges for complaints of “no signal”?

4.1.9 Similarly, should any ceiling be placed in respect of visiting charges for repair and maintenance of CPE for DTH services? Alternatively, should DTH operators be required to offer Annual Maintenance Contracts (AMCs) to their subscribers?

4.1.10 Can you suggest some form of AMCs for DTH Service covering all aspects such as repair & maintenance charges for CPE, visiting charges, attending “no signal” complaints, etc.?

Our Reply :

We suggest that there should not be any visiting charges for “No Signals” for first six months of subscription of the channels by the Subscriber.

Thereafter if the signals are not being reached to the Consumer due to his default the fee should be charged as per the discretion of DTH Operator; but in case the signals are not available to the Consumer without his default then no charges or a nominal charges may be levied. Yes there should be a ceiling on visiting and Repair charges.

A warranty agreement may be signed between the Customer and DTH Operator for AMC, Repair etc for a period of one year.

Issue 4.1.11 : Whether the service providers should be required to make available toll-free numbers for recharge calls for prepaid accounts?

Our Reply : Yes the service providers must make available toll-free numbers for recharge calls for prepaid accounts.

Issue 4.1.12: Whether the request for suspension of service for full calendar months only should be entertained?

4.1.13 Whether tariff plan or subscription package changes requested by the DTH subscriber should be accepted and implemented immediately or from the start of next billing cycle for DTH subscriber.

4.1.14 Whether advance notice of minimum 30 days should be given by DTH operators to a DTH subscriber before terminating his existing tariff plan provided that no tariff plan can be terminated within the contracted period, if any, for that package or within six months of enrolment of that subscriber to that package.

Our Reply :

- We recommend that the request for suspension of service for full calendar months only should be entertained, this will not only ease the process and reduce the disputes also.
 - Accordingly tariff plan or subscription package changes requested by the DTH subscriber should be accepted and implemented from the beginning of next calendar month only.
 - We support that an advance notice of minimum 30 days should be given by DTH operators to a DTH subscriber before terminating his existing tariff plan provided that no tariff plan can be terminated within the contracted period, if any, for that package or within six months of enrolment of that subscriber to that package.
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