

By Email and Hand

19 August 2019

Telecom Regulatory Authority of India
Mahanagar Doorsanchar Bhawan
Jawahar Lal Nehru Marg
New Delhi - 110002

Kind Attn.: Shri Anil Kumar Bhardwaj, Advisor (B&CS)
Subject: TRAI's Consultation Paper on KYC of DTH Set Top Boxes dated 19 July 2019

Dear Sir,

We thank you for the opportunity to express our views on the above captioned consultation paper. Tata Sky's response to the same is enclosed for your ready reference.

Thanking you.

Yours sincerely,



Himavat Chaudhuri
Chief Legal and Regulatory Affairs Officer

Enclosed: As above

TATA SKY'S RESPONSE TO THE TRAI'S CONSULTATION PAPER ON KYC OF DTH SET TOP BOXES DATED JULY 19, 2019

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.

Tata Sky Comments:

- DTH Operators, at the time of new customer acquisition, are getting the Customer Application Form (CAF) filled up, which captures the Name, Address, Contact Number and various other details. This CAF process is already mandated within the Authority's QoS Regulations, 2017. Thereafter, the Set Top Box (STB) is installed at the premises of the customer by the operator. Therefore, the KYC process is already being followed by the operators.
- As mentioned in the Consultation Paper, on account of the judgement of the Hon'ble Supreme Court of India, the Aadhaar verification process has been dis-allowed for the Telecom sector. And also, as acknowledged in the Consultation Paper, the Television Sector being a non-critical sector, it is highly unlikely that Aadhaar verification can be introduced.
- Collecting Proof of Identity (PoI) and Proof of Address (PoA) documents, as an alternate to Aadhaar, will add to the inconvenience and cost of approximately 100 million subscribers (includes pvt. DTH and DD Free Dish) and potentially another 100 million future subscribers. Conducting such a massive exercise for weeding out a miniscule set of smuggled boxes would be an unfair burden for all stakeholders.
- The concern raised by MIB (as mentioned in para 1.5 of the Consultation Paper) i.e. 'restricting the smuggling of DTH equipment illegally to other countries' does not get addressed by the KYC process.
- Therefore, we strongly urge the Authority to continue with the existing Regulations and not add or modify the process that would require us to collect PoI/ PoA documents.
- Location-based Services (LBS) –Developing and deploying STBs fitted with a LBS solution would make the box expensive and would add to the cost borne by the subscriber. Also, there would be several cases of non-receipt of signals on account of equipment malfunction or other reasons and not necessarily due to the STB having been smuggled out. Presuming that the operator develops such a solution and report to the government all incidences of displaced STBs, would the government prosecute such individuals for engaging in such an activity and take penal action?
- We would also like to highlight here that the MIB had mooted a proposal in early 2017 for the installation of chips in STBs to capture the viewing pattern of consumers. You will recall that serious privacy concerns were raised against the proposal. The issue was widely reported in the media and was also picked up by political parties. Ultimately, the MIB shelved that proposal. Implementing LBS solution relates to the tracking of the STB and can easily be construed as tracking of citizens. This carries much more serious concerns than the issue of viewing behavior and has the potential of snowballing into a major controversy. It is our humble request that we should avoid going down this path.

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

Tata Sky Comments:

- Not applicable in light of our above response

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?

Tata Sky Comments:

- DTH STBs may be smuggled to neighboring countries (within the satellite footprint) because of an economic incentive due to abysmally low content prices in India.
- A re-verification exercise will pose its own complex challenges:
 - Customer not giving appointment;
 - Customer not permitting physical inspection of his premises;
 - Customer not available/ not contactable;
 - Customers' premises locked.
 - STB not at premises, however, customer claiming relocation within India and not smuggled outside.
 - Moreover, the relevant Authorities will need to provide for police officials to accompany the operators during premise inspection visits for ensuring cooperation.
- As mentioned in our response above, KYC will not address the key underlying concern of smuggling of DTH STBs out of India.
- Presuming that the operators do manage to conduct a periodic re-verification, and thereafter report to the government all incidences of displaced STBs, would the government prosecute such individuals for engaging in such an activity and take penal action?
- Any re-verification exercise will not achieve the desired objective and instead impose huge costs which would ultimately be passed on the customers. We therefore strongly urge the Authority not to mandate/ recommend periodic re-verification.

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?

Tata Sky Comments:

- As mentioned in our earlier response, operators already have with them the KYC details of their customers. We have also established the fact that KYC process through Aadhaar verification or verification through PoI/PoA documents will not address the issue of STBs being smuggled out of the country.
- This issue is primarily a customs/ border-control issue. We are interested to know what steps the government is taking to ensure that smuggling of such electronic items out of India from Airports,

Sea-ports and Land-ports do not take place. We believe that such smuggling of electronic equipment can be very effectively controlled if the Border/Customs Officials are suitably trained and sensitized. Passing this job to the operators through the re-verification exercise is unfair and unjust.

- We would strongly urge the Authority not to mandate/ recommend any kind of re-verification exercise or collection of additional documents from existing or new customers.

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.

Tata Sky Comments:

- Developing and deploying STBs fitted with a LBS solution would make the box expensive and would add to the cost borne by the subscriber. Also, there would be several cases of non-receipt of signals on account of equipment malfunction or other reasons and not necessarily due to the STB having been smuggled out.
- As explained in our response above, LBS solution will attract serious privacy concerns.
- Therefore, we are strongly against the proposal to incorporate the STB with an LBS solution and would request the Authority to not issue any recommendation favouring such a proposal.

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

Tata Sky Comments:

- The issue of smuggled STBs is not limited to private DTH operators alone. Any regulation or any mandate that TRAI and/or MIB may be proposing should cover the DD Free Dish platform as well.
- Regulation 3(5) of the QoS Regulations, 2017 permits operators to have either a physical/ printed CAF or an electronic version e-CAF or both. We would strongly urge the Authority to continue with such a flexible Regulation and not modify this regulation to mandate e-CAF (alone) as the only option for acquisition. There are still gaps in the mobile coverage in deep rural/ DAS 4 areas where e-CAF/OTP solutions will fail.