

15<sup>th</sup> November, 2016

To,  
**Prof. Kasim,**  
Advisor (B&CS) - III  
Telecom regulatory Authority of India  
New Delhi

**Ref: Consultation on the draft of the Standards of Quality of Service and Consumer Protection  
(Digital Addressable Systems) Regulations, 2016**

Dear Sir,

We would like to enclose herewith our comments / suggestions on the above captioned Consultation draft QOS Regulation for your consideration, while coming out with the final QOS Regulation.

Thanking you,

Yours faithfully

For Videocon d2h Limited



Authorized Signatory

Encl: A/a

## **Videocon d2h Limited**

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CIN : U92100MH2002PLC137947

**The Standards of Quality of Service and Consumer Protection (Digital Addressable Systems) Regulations, 2016**

At the outset we appreciate that the Hon'ble Authority has come out with comprehensive draft QOS Regulation, which encompasses and takes within its ambit all relevant factors impacting stakeholders. On going through the draft QOS Regulation we sincerely feel that certain provisions therein need to be revisited and suitably modified in order to make them full proof and provide boost to the ultimate consumer interest.

The following are some of the comments/suggestions on our behalf:-

- A) We would like to bring in the attention of the Authority, the regulation regarding 'pre-paid billing and payment' and the definition of 'subscriber management system', which is being reproduced verbatim as under:-

*25. Pre-paid billing and payment .— (1) Every distributor of TV channels or local cable operator, as the case may be, shall provide itemized usage details and amount debited to the prepaid subscriber account at the end of every billing cycle without any extra charges .*

*(ss) "subscriber management system" means a system or device which stores the subscriber records and details with respect to name, address and other information regarding the hardware being utilized by the subscriber, channels or bouquets of channels subscribed to by the subscriber, price of such channels or bouquets of channels as defined in the system, the activation or deactivation dates and time for any channel or bouquets of channels, a log of all actions performed on a subscriber's record, invoices raised on each subscriber and the amounts paid or discount allowed to the subscriber for each billing period;*

As the Authority is aware, unlike cable distribution services, DTH is a pre-paid service and as such apparently there is a glaring mix-up in the provisions of Regulation 25 and also the definition of Subscriber Management System, which we believe needs to re-visited, re-examined in order to discern the cable and DTH distribution systems. This is more so because although a DTH Service Provider may be capable generating invoices still they in order to make available to the customer details of his account expeditiously opt for submission of customer account details to individual subscribers, either through online (website) or through display on individual consumer television screen or through emails (if any, registered) or through SMS, in keeping with technological development. Consequently, platforms like DTH do not raise invoices at the end of the month as mentioned in the regulation under reply.

The billing mandate would limit the options of the subscriber to avail additional services and may be a regressive step in light of technological options available with DTH service providers. Furthermore, a subscriber has complete flexibility to utilize the balance available in his DTH account maintained with the DTH Service provider to avail additional services at his discretion. Considering such benefits, telecommunication service providers are also opting for such methods in the interest of the ultimate consumers.

In this background, we would slight modifications to the above provisions as follows.

*"25. Pre-paid billing and payment .— (1) Save and except the post paid billing and payment, every distributor of TV channels or local cable operator, as the case may be, shall provide itemized usage details and amount debited to the prepaid subscriber account at the end of every billing cycle without any extra charges."*

*"(ss) "subscriber management system" means a system or device which stores the subscriber records and details with respect to name, address and other information regarding the hardware being utilized by the subscriber, channels or bouquets of channels subscribed to by the subscriber, price of such channels or bouquets of channels as defined in the system, the activation or deactivation dates and time for any channel or bouquets of channels, a log of all actions performed on a subscriber's record, account statement of each subscriber and the amounts paid or discount allowed to the subscriber for each billing period;"*

- B) We would like to bring in the attention of the Authority, the regulation regarding 'Billing' as stated in Regulation 20, which is being reproduced verbatim as under:-

*20. Billing .— (1) Every distributor of TV channels or local cable operator, as the case may be, shall offer TV broadcasting services to the subscribers either pre-paid or post-paid or both pre-paid and post-paid payment options.*

As the Authority is aware, unlike cable distribution services, DTH is a pre-paid service and as such apparently there is a glaring mix-up in the aforesaid provision of offering subscribers a payment options on both pre-paid and post paid basis, which we believe needs to re-visited, re-examined in order to discern the cable and DTH distribution systems.

We believe that slight modification to the provision of Regulation 20 is required which is being captured and such modified version of Regulation 20 is being produced as follows:

*"20. Billing .— (1) Save and except distributor of TV channels on purely pre paid basis, every distributor of TV channels or local cable operator, as the case may be, shall offer TV broadcasting services to the subscribers either pre-paid or post-paid or both pre-paid and post-paid payment options."*

- C) Customer Premises Equipment

At the outset, we would like to state that all issues pertaining to Customer Premises Equipment ('CPE') are *sub-judice* before the Hon'ble TDSAT and also before Hon'ble Supreme Court Of India and as such we would urge the Authority to record our comments, suggestions to the Chapter VI of the draft QOS Regulation without prejudice to our rights and contentions raised by us in those matters.

*"(6) Every distributor of TV channels or local cable operator, as the case may be, shall be responsible for maintenance of Customer Premises Equipment offered under sub regulation (4) and sub regulation (5) for a minimum period of five years and the subscriber shall not be required to pay any charge towards repair and maintenance of the Customer Premises Equipment during such period."*

As stated above our comments on Regulation 6 of the draft QOS Regulation, be recorded without prejudice to our contentions and submissions in both before Hon'ble TDSAT and Hon'ble Supreme Court of India.

We state that, the period of five (5) years envisaged under Regulation 6 is totally misconceived, lopsided and requires to be re-examined in sync with market dynamics and also consumer behaviour.

It is also contrary to Regulation 3 of the draft QOS Regulation, in as-much-as the Regulation 3 provides for warranty for period of one (1) year for the CPE, Regulation 6 expects and mandates the distribution platform to maintain the CPE for a period elongated period of 5 years without any right to charge the consumer towards repair and maintenance of such CPE. It is therefore, suggested that in order to bring provisions of Regulation 3 and Regulation 6 on equal footing it is necessary and expedient for the Authority to suitably modify the time frame under Regulation 6.

**The suggested modified version of Regulation 6 is produced as below:-**

*"(6) Every distributor of TV channels or local cable operator, as the case may be, shall be responsible for maintenance of Customer Premises Equipment offered under sub regulation (4) and sub regulation (5) for a minimum period of one (1) year and the subscriber shall not be required to pay any charge towards repair and maintenance of the Customer Premises Equipment during such period."*

We trust the Hon'ble Authority would consider the above suggested modification, in the light of warranty provisions and accept the modification while coming out with final QOS Regulation.

*(3) Every distributor of TV channels or local cable operator, as the case may be, shall specify the retail price of customer premises equipment under outright purchase scheme, and the terms and conditions for guarantee/warranty, and such guarantee/warranty shall not be for a period of less than one year and the subscriber shall not be required to pay any charge towards repair and maintenance of the Customer Premises Equipment during such period of guarantee/warranty.*

*(7) Every distributor of TV channels providing direct to home services may charge an amount not exceeding rupees two hundred and fifty as visiting charge per registered complaint requiring visit of a person to subscriber's premises for repair and maintenance:*

*Provided that no visiting charges will be levied to the subscribers for any complaint relating to set top box.*

*Provided further that such visiting charge shall not be debited from the pre-paid subscription account of the subscriber.*

*Provided also that the receipt for payment shall be issued to the subscriber by the DTH operator for such charges.*

Whilst reiterating what has already been stated by us in our response to the Consultation Paper on Quality of Service and more specifically to the proposed regulatory aspects of CPE, we state that, the provisions regarding visiting charges, warranty, repair and maintenance charges etc. are incoherently intermingled which is not just and proper for the distribution platforms and therefore, the Authority needs to re-examine the same realistically and holistically. It will not be out of place to mention here that manufacturer provides warranty only for those parts which have a manufacturing defect hence as such during the warranty / guarantee period the customer is not charged for replacement of part of the CPE which has a manufacturing defect which comes under the warranty. However, distribution platform incurs cost for visiting at the premises of the customers which cost is not considered or taken while installing the new CPE and is separate cost incurred to DPO and is payable to the third party on each visit. We therefore, would request the Authority that the visiting charges should be kept separate from the repair and maintenance charges and both should be allowed to be charged by distribution platform in such a way that visiting charges become payable irrespective of warranty period and repair and maintenance charges becomes payable after the warranty period.

We firmly believe that deduction of maintenance related charges for CPE from the pre paid subscription account should not be prohibited; as we should give customers the choice to either pay for the charges at the time of service request or to chose deduction from their existing balance where they have sufficient balance in their DTH account. By giving them this flexibility we give customer the choice of utilizing their own prepaid amount to DTH, this will lead to reduction in viewing period which customers are aware of.

In the light of above discussion, it will be apt to omit the first proviso to Regulation 7 as also second proviso to the same.

**The suggested modified version of Regulation 3 and Regulation 7 is produced as below:-**

*(3) Every distributor of TV channels or local cable operator, as the case may be, shall specify the retail price of customer premises equipment under outright purchase scheme, and the terms and conditions for guarantee/warranty, and such guarantee/warranty shall not be for a period of less than one year and it shall be open*

to the distributor of TV channels providing direct to home services to charge to visiting charges during such period of guarantee/ warranty.

(7) Every distributor of TV channels providing direct to home services may charge an amount not exceeding rupees two hundred and fifty as visiting charge per registered complaint requiring visit of a person to subscriber's premises ~~for repair and maintenance:~~

~~Provided that no visiting charges will be levied to the subscribers for any complaint relating to set top box.~~

~~Provided further that such visiting charge shall not be debited from the pre-paid subscription account of the subscriber.~~

~~Provided also that the receipt for payment shall be issued to the subscriber by the DTH operator for such charges.~~

D) CAF related provisions:

As the Authority is aware that, vide its direction dated 5<sup>th</sup> February 2016 the Authority has permitted distribution platforms to use and maintain customer application form in the digital format. The proviso to Sub-Regulation 5 of Regulation 3 has also been incorporated in the draft QOS Regulation. However, in the Schedule 1 it has been stated that the application form shall be 'printed' in 'Hindi, English and the regional languages'. We believe that considering the advancement of technology it is a welcomed decision on part of the Authority to digitize every facet of the business and its operations. In this context we would like the Authority to omit the word 'printed' and instead replace the entire sentence in the beginning to Schedule 1 by restructuring the same in the context of digital CAF. This is more so because of the requirement to generate CAF in regional languages, which exercise would be logistically cumbersome and not cost effective.

E) Technical Standard

As the Authority is aware, that Bureau of Indian Standards governs the parameters and product specifications of equipment necessary for retransmission of DTH signal like set top box and we are in compliance of the same since inception.

We strongly believe that, there is no necessity of the part included in Regulation 31 to be retained. We also believe that the sub Regulation 4 and 5 of Regulation 31 are subjective in nature and cannot be quantified and therefore, we would urge the Authority to omit the entire Regulation 31 from the draft QOS Regulation.

F) Display of Channels in EPG

The provisions of Regulation 33 of Chapter VIII of the draft QOS Regulation require the distribution platforms to list all channels available on its platform in the EPG in the respective genre along with applicable *a-la-carte* prices.

We firmly believe that, in the context of absence of universal pricing of *a-la-carte channels* more particularly regional channels, it will be rather difficult nay impossible logistically to have scores of EPG for different regions in the country. In any case, *a-la-carte* pricing of all channels are always available on the websites of distribution platforms.

In view of these genuine concerns on the part of distribution platforms, we would urge the Authority not to mandate them with requirements as enshrined in Regulation 33 of the draft QOS Regulation.

**We consequently request the Authority to omit the Regulation 33 from Chapter VIII while coming up with final QOS Regulation.**