

DEN Networks Limited's response to Draft (Second Amendment) to the Telecommunication (Broadcasting and Cable) Services Standards of Quality of Service and Consumer Protection (Addressable Systems) Regulations 2017 (hereinafter referred to as the Draft (Second Amendment) QoS Regulations 2017).

PREAMBLE:

At the outset we would like to express our gratitude to TRAI for providing us with an opportunity to respond to the Draft (Second Amendment) QoS Regulations 2017. The instant response being submitted by us is with respect to issue of developing of application by third parties and consequent sharing of information using Application Program Interface (“API”) between DPOs and consumers.

It is submitted that the process and flow of the selection of channels through API, delineated in the Channel Selection System APIs notified by TRAI is more or less in line with the current channel selection process made available by us to our subscribers to enable them to choose the channel that they wish to watch.

With the introduction of the new regulatory framework encompassing the New Tariff Order 2017 (“NTO”), came along extensive changes in the IT systems, including but not limited to configuration of huge number of Bouquets declared by the Broadcasters, putting in place a consumer corner etc. These comprehensive changes brought to fore some teething issues, which now stand resolved enabling all IT systems to run in a seamless manner facilitating subscribers to make their desired selection including deletion of channels.

Hence, in our opinion for the reasons as detailed below, direction for employing an application developed by third party may not be made mandatory and be left at the discretion of the Multi System Operator (“MSOs”) to either develop or improve upon their exiting App, at least for the National Level MSOs with a minimum subscriber base of 1 million.

2. RESPONSE:

The Authority may recall that while recording our response to the Entry Level Net Worth requirement of MSOs in Cable TV Services, we specifically advocated for minimum net-worth criteria for the MSOs with a reasoning that it will help to build a robust ecosystem which will not only enable the MSO to ensure compliances required under the NTO but would also help in meeting the intent of the Regulator to come out with the NTO i.e. choice to consumer/Quality of Service /transparency in the sector.

In our view, all the National Level MSOs already have an App (either Mobile or on their website) developed for their subscribers to enable them to choose the channels they wish to watch, including addition & deletion of channels from their chosen pack, as has been suggested by the Authority. Since we already have an App designed on similar lines as is required by the Authority, working on a third party App would be an exercise in futility. We would rather take the opportunity and upgrade the exiting App to make it more robust or to modify it to be in conformity to the guidelines laid down by the Authority in this regard. The National level MSOs have already spent a lot of resources to employ the best of technology to come up with such an App that now making an app developed by a third party vendor mandatory for all MSOs might put at risk all the previous initiatives taken by the MSOs leading to huge financial loss.

It may be pertinent to mention that putting in place the third party app may also risk leakage of valuable subscriber information compromising our subscriber's data which may prove to be detrimental to our business.

Further, we are responsible for keeping the information shared by our subscribers secure. In case of leakage of information, we run the risk of losing our subscribers' trust. Moreover, the IT system and MSO Apps are evolving and the subscribers are just getting used to the entire ecosystem, introducing third party app may further add to the confusion and inconvenience faced by the subscribers, which strikes at the heart of the intention of the regulator.

It is further stated that any Third Party App Developer company, who will develop the App for enabling the subscriber to make their choice of channels of their respective MSOs, may be interested to use such subscriber data to recover its cost of production by making the same available in the marketplace, thereby putting the subscribers at risk of being exploited by various other service providers.

It is also apprehended that online aggregators may gradually collect a lot of subscriber data, the channels they are watching and the chosen packs etc. The data so collected may be used to inundate the subscribers with various suggestions and influence their choice by way of digital marketing and calling etc., circumventing the real choice being available to consumer, which the Authority intends to protect through this Amendment.

With third party app and the likelihood of subscriber data being available in the market place; online aggregators, by way of multiple robo hits or denial of service attack, may compromise the security of an MSOs Platform, which could lead to serious business downtime as it is MSOs core service. To avoid this, MSOs will have to put segregation or sand box systems approach which will cost both- one time and recurring cost and it will come without any immediate benefit.

In view of submissions made above, we suggest that the direction for employing an application developed by third party should not be made mandatory and should be left at the discretion of the MSOs to either develop it or further improve the same at least for a Distributor with a minimum base of one million subscribers.