

Response of GTPL Hathway Ltd. on consultation paper on "Infrastructure sharing in broadcasting TV distribution sector"

From: **Maulik Desai** <maulik.desai@gtpl.net>

Date: Oct 28, 2016 4:35:29 PM

Subject: Consultation Paper on "Infrastructure sharing in broadcasting TV distribution sector" dated September 21, 2016

Dear Sir,

We attach herewith our response to the Consultation Paper on "Infrastructure sharing in broadcasting TV distribution sector" dated September 21, 2016.

Kindly include the points in your consultation process.

Thanks and Regards,

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ISSUES FOR CONSULTATION

Infrastructure sharing among Cable TV and HITS operators

(1) Is there a need to enable infrastructure sharing among MSOs and HITS operators, or among MSOs? It is important to note that no mandate for such infrastructure sharing is being proposed.

There is a visible need to enable infrastructure sharing between MSOs and HITS operators as well as among MSOs. Sharing of infrastructure will not only enable the platforms to reduce CAPEX and OPEX, but will also optimize the use of already existing infrastructure. This will also ensure standardization in quality of signals to the consumer.

(2) Which model is preferred for sharing of infrastructure among MSOs and HITS operators, or among MSOs? Kindly elucidate with justification.

Model No. 1 is a cost-effective model for sharing of infrastructure among MSOs and HITS Operators. However a mechanism needs to be formulated to protect the interests of all other participating DPOs in the infrastructure sharing, in case of

default by any of the participating DPOs towards the broadcasters or regulatory compliance.

Model No. 2 does not seem to be practically feasible in terms of implementation of infrastructure sharing amongst MSOs and HITS Operators, due to limitations in current transponder availability. Further, carrying multiple signals from different DPOs on the same coaxial network has technical limitations.

Model No. 2 is a viable option for implementation amongst MSOs, who have separate head-ends, and desire to share SMS and CAS.

Infrastructure sharing among DTH operators

(3) Is there a need to enable infrastructure sharing among DTH operators?

No comments.

Relevant issues in sharing of infrastructure

(4) What specific amendments are required in the cable TV Act and the Rules made there under to enable sharing of infrastructure among MSOs themselves? Kindly elucidate with justification.

The following amendments in the Cable Television Network (Regulation) Amendment Rules 2012 are required to enable sharing of infrastructure among MSOs themselves:

1. **Rule 2 (c)** of the Rules needs to be modified to provide that “**Multi-System Operator (MSO)** means a cable operator who receives a programming service, from a broadcaster and/or his authorized agencies either directly **or indirectly through another DPO** and re-transmits the same or transmits his own programming service for simultaneous reception either by multiple subscribers directly or through one or more local cable operators (LCOs), **or to any other DPO sharing its infrastructure** and includes his authorized distribution agencies by whatever name called;”
2. **Rule 13 (3)** should provide that : “Every multi-system operator shall set up and operationalize its subscriber management system **or arrange for utilization of a subscriber management system setup by another DPO on a sharing basis** within a time frame as may be determined by regulation or order by the Authority, for ensuring efficient and error-free service to the subscribers by recording and providing individualized preferences for pay channels, billing cycles, refunds etc.”

(5) What specific amendments are required in the MSO registration conditions and HITS licensing guidelines in order to enable sharing of infrastructure among MSOs and HITS operators? Kindly elucidate with justification.

Reference is placed to MIB’s letter dated 28th March, 2016 bearing No. 9/573/2015-DAS to Shree Digital, wherein the terms and conditions for grant of

registration as an MSO includes the following: “4 (vii) The MSO shall have an independent digital head-end of his own and provide digital addressable cable services from his head-end.”

This indicates that an MSO cannot use TV signal feed from any other DPO. Therefore an explicit Rule allowing infrastructure sharing is required to be inserted, to enable MSOs to provide services by using infrastructure of another DPO.

(6) What specific amendments are required in the guidelines for obtaining license for providing DTH broadcasting service to enable sharing of infrastructure among DTH operators? Kindly elucidate with justification.

- No Comments.

(7) Do you envisage any requirement for amendment in the policy framework for satellite communication in India to enable sharing of infrastructure among MSOs and HITS operators, and among DTH operators? If yes, then what specific amendments would be required? Kindly elucidate with justification.

- No comments

(8) Do you envisage any requirement for amendments in the NOCC guidelines and WPC license conditions relating to satellite communications to enable sharing of infrastructure among MSOs and HITS operators, and among DTH operators? If yes, then what specific amendments would be required? Kindly elucidate with justification.

-No comments

(9) Do you envisage any requirement for amendments in any other policy guidelines to enable sharing of infrastructure among MSOs and HITS operators, among MSOs, and among DTH operators? Kindly elucidate with justification.

-No comments

(10) What mechanisms could be put in place for disconnection of signals of TV channels of defaulting operator without affecting the operations of the other associated operators with that network after implementation of sharing of infrastructure among MSOs and HITS operators, among MSOs, and among DTH operators? Kindly elucidate.

We would like to restrict our comments on this question to the following models of sharing infrastructure among MSOs and HITS operators, and among MSOs:

1. Scenario A- where only SMS and CAS are shared and the head-ends are independent.
2. Scenario B- where only SMS is shared, but CAS and head-end are independent.
3. Scenario C- where only CAS is shared but SMS and head-end are independent.
4. Scenario D- where CAS, SMS and head-end are shared.

For all the above scenarios, it is proposed that separate regulations must be formulated to govern the conduct of the infrastructure provider, and provide for additional compliance with respect to the SMS and CAS to tackle the issue of disconnection, etc. directly by the infrastructure provider, in case of any default by one DPO without impacting the operations of other associated DPOs.

The SMS or CAS must have the capability to disconnect only the defaulting DPO, without affecting the transmission of signals of TV channels to other participating or associated DPOs.

It may be made mandatory for the infrastructure provider to disconnect a defaulting DPO sharing its infrastructure, after the expiry of the 21 day period notice served to the defaulting DPO by the broadcaster, and on the broadcaster confirming disconnection of such defaulting DPO. Adequate provisions may be made in the Regulations for penalties to be imposed on the infrastructure provider to ensure that the disconnection is executed.

(11) Is there any requirement for tripartite agreement to enable sharing of infrastructure among MSOs and HITS operators, among MSOs, and among DTH operators? Kindly elucidate with justification.

One view is that a tripartite agreement, signed between the broadcasters, infrastructure provider and the associated DPO, for sharing of infrastructure would complicate or even jeopardize the primary arrangement between the broadcaster and the associated DPO. For the purpose of safeguarding the interests of all the stakeholders, regulations may be formulated to govern the responsibilities of the DPOs sharing a particular infrastructure, with respect to issues like piracy concerns, audits by broadcasters and disconnection of services.

However commercial terms between the interconnecting entities, including payment liabilities, must be left as it is, to ensure self-determination of each entity in spite of sharing of infrastructure. For instance, an MSO is providing the service of its CAS and SMS to multiple MSOs having their independent head-ends at different locations. Then such MSOs must have an option of negotiating or dealing

with the broadcasters independently for their respective territories, in spite of utilizing the CAS and SMS installed by another MSO.

Alternatively, a standard tripartite agreement can be formulated which should clearly specify the roles of each party to the Agreement specifically with respect to the shared infrastructure. Such agreement has to be signed between the broadcasters, the DPO and the infrastructure provider in addition to the Agreements between the broadcaster and DPO individually.

(12) What techniques could be put in place for identification of pirates after implementation of sharing of infrastructure among MSOs and HITS operators, among MSOs, and among DTH operators? Kindly elucidate.

- The standard methods of Fingerprinting and watermarking are sufficient for identification of piracy. Presently in India, most of the piracy is happening by demodulating signals from an active box. Such incidences can be identified using Fingerprinting along with field verification.

(13) Is there any need for further strengthening of anti-piracy measures already in place to enable sharing of infrastructure among MSOs and HITS operators, among MSOs, and among DTH operators? Kindly elucidate with justification.

- The existing anti-piracy measures are sufficiently strong and hence any additional measures for further strengthening of existing anti-piracy measures are not required.

(14) Is there a requirement to ensure geographically targeted advertisements in the distribution networks? If yes, then what could be the possible methods for enabling geographically targeted advertisements in shared infrastructure set up?

- No comments

(15) Whether it is possible for the network operator to run the scrolls and logo on the specific STBs population on request of either the broadcaster or the service delivery operator after implementation of sharing of infrastructure among MSOs and HITS operators, among MSOs, and among DTH operators? If yes, kindly elucidate the techniques.

- Yes. It is possible to run scrolls and logos if only CAS and SMS is shared and not the compression system.

(16) Whether implementation of infrastructure sharing affects the differentiation and personalization of the TV broadcasting services and EPG? If yes, then how those constraints can be addressed? Kindly elucidate with justification.

- In the present market scenario very little personalization exists. Since the content is the same for all shared entities the EPG information can remain same for all satellite channels. In case of a requirement of a separate lineup of LCN, or other similar requirements, the entities can have separate SI Servers. This will allow the various MSO and HITS operators to offer a customized lineup of services for their customers. Implementation of packages can also be customized for the different entities from the same SMS by suitable upgrades and developments in the application.

(17) Whether, in your opinion, satellite capacity is a limiting factor for sharing of infrastructure? If yes, then what could be the solutions to address the issue?

- No Comments

Sharing of CAS and SMS

(18) Is there a need to permit sharing of SMS and CAS?

- Whether other infrastructures like head-end, etc. are allowed to be shared or not, it is absolutely essential that sharing of SMS and CAS be allowed as these are softwares and possess a high level of flexibility and control which can be exercised from any part of the world. Also, it is obvious that software systems can be structured to ensure high level of security and control as far as revenues and rights of stakeholders are concerned.

One of the main reasons for not so secure CAS or SMS being deployed by some of the DPOs is their inability to afford expensive systems like those installed by the national MSOs. Ability to share will facilitate availability of resources at economical rates even to small MSOs and thereby ensure stoppage of revenue leakage and unhealthy competition.

(19) If yes, then what additional measures need to be taken to ensure that SMS data remain accessible to the tax assessment authorities and Authorized officers as defined in the Cable TV Act for the purpose of monitoring the compliance with relevant the Rules and the Regulations?

- To ensure that SMS data remain accessible to the tax assessment authorities and Authorized officers as defined in the Cable TV Act, a provision can be made for generation of Automated Standardized Reports, which would contain all relevant data, to be provided by the DPO having control of the SMS. Format(s) for the Reports can be provided by the concerned authorities.

The concerned operator, utilizing the infrastructure of another DPO, shall provide a confirmation as to the contents of the Reports.

(20) Whether sharing of CAS can in any way compromise the requirement of encryption as envisaged in the Cable TV Act and The rules and the regulations.

- Sharing of CAS does not compromise the security aspects of the signal content. However there is always a possibility of intentional damage by the infrastructure provider in terms of activation or deactivation of subscribers without the consent of associated DPOs. Such issues are to be dealt with strict monitoring, reconciliation on daily basis between CAS and SMS and other similar actions.

(21) In addition to the issues mentioned above, comments of stakeholders are also invited on any other issue relevant to the present consultation paper.

- Standard Interconnect Agreements for infrastructure sharing amongst DPOs, needs to be formulated and made a part of new regulations governing infrastructure sharing.

- Sub-regulation 3(4) of the Interconnection Regulations needs to be amended to include: "Every multi system operator while seeking interconnection with the broadcaster, shall ensure that it operationalizes its services through a digital addressable system **installed on its own or through another DPO.**"

The MSO shall ensure that the digital addressable system meets the requirements specified in Schedule __ to these regulations.

Provided that in case an MSO is utilizing the digital addressable system setup by another DPO, the MSO shall ensure that it operationalizes its services only through such a system which is compliant with the requirements specified in the regulations."