

DDC CATV Network Pvt. Ltd.
Office No.2, First Floor., LSC, Uday Park,
New Delhi 110049

Comments on Consultation Paper no. 5/2016,
Interconnection framework for
Broadcasting TV Services distributed through Addressable Systems
4th May, 2016

Issue 1:- COMMON INTERCONNECTION FRAMEWORK FOR ALL TYPES OF ADDRESSABLE SYSTEMS [3.2 to 3.5]

How a level playing field among different service providers using different addressable systems can be ensured?

All DPOs' like MSO/DTH/HITS/IPTV/OTT all should be on addressable system. Addressable system may be of different companies, but as per TRAI guidelines parameters of all should be same. Which will bring in the transparency and parity among all the DPOs', Broadcasters, LCOs', and Government Departments (Service Tax, Entertainment Tax, VAT and GST etc.).

Should a common interconnection regulatory framework be mandated for all types of addressable systems?

YES

Issue 2:- TRANSPARENCY, NON-DISCRIMINATION AND NON-EXCLUSIVITY [3.6 to 3.25]

2.1 Is there any need to allow agreements based on mutually agreed terms, which do not form part of RIO, in digital addressable systems where calculation of fee can be based on subscription numbers? If yes, then kindly justify with probable scenarios for such a requirement.

No. All agreements should be on RIO basis, as regulators have given enough of freedom for several years to the Broadcasters and DPOs'. Even many Hon'ble courts have directed the broadcasters for parity, in spite of that they could not introduce parity and discriminatory treatment between the broadcasters and the small/new DPOs'.

2.2 How to ensure that the interconnection agreements entered on mutually agreed terms meet the requirement of providing a level playing field amongst service providers?

No mutual agreements should be allowed.

2.3 What are the ways for effectively implementing non-discrimination on ground? Why confidentiality of interconnection agreements a necessity? Kindly justify the comments with detailed reasons.

For effective implementing of parity and nondiscrimination on ground, all the RIO/offers by broadcaster should be vetted by the TRAI before being offered to the DPOs'. Vetting is important so as to ensure that all the guidelines/ directions by TRAI are followed.

To implement this a coordination is very important between TRAI and MIB, so that, the stake holders implement this with full honesty, and should not look for the loopholes. There should be clarity of punishment if someone doesn't follow the Guidelines, and there license should be cancelled, should neither be renewed nor be issued any new License.

Also it has been advised by Hon'ble Prime Ministry, Mr. Narendra Modi that all the concerned Government Departments/bodies/authorities should work in coordination to encourage smooth and hustle free environment.

If there is parity and indiscrimination between stake holders then there is no need of confidentiality of interconnect agreement.

2.4 Should the terms and conditions (including rates) of mutual agreement be disclosed to other service providers to ensure the non-discrimination?

No mutual agreements should be allowed.

2.5 Whether the principles of non-exclusivity, must-provide, and must-carry are necessary for orderly growth of the sector? What else needs to be done to ensure that subscribers get their choice of channels at competitive prices? Yes, non-exclusivity, must-provide, and must-carry should be necessary for orderly growth of the sector. All DPOs' like MSO/DTH/HITS/IPTV/OTT all should be on addressable system. In addressable system choice of channels by the subscribers is easily controllable. If subscriber is getting a choice to choose a channel of their taste, this will lead to a competition between the channels to produce better quality content and pricing for the same.

2.6 Should the RIO contain all the terms and conditions including rates and discounts, if any, offered by provider, for each and every alternative? If no, then how to ensure non-discrimination and level playing field? Kindly provide details and justify. Yes

2.7 Should RIO be the only basis for signing of agreement? If no, then how to make agreements comparable and ensure non-discrimination? YES

2.8 Whether SIA is required to be published by provider so that in cases where service providers are unable to decide on mutually agreed terms, a SIA may be signed? Only published RIO should be signed, no mutual agreements should be allowed

2.9 Should a format be prescribed for applications seeking signals of TV channels and seeking access to platform for re-transmission of TV channels along with list of documents required to be enclosed prior to signing of SIA be prescribed? If yes, what are the minimum fields required for such application formats in each case? What could be the list of documents in each case? Yes, 1. DPO license, issued by MIB 2. Company/Partnership/Proprietorship etc. related documents 3. Service Tax 4. PAN Card, 5. CAS and SMS certificates, 6. If they have BECIL Certificate. This set of documents should be submitted online, so as it is implemented within a specified time frame defined by TRAI.

These documents should be furnished and submitted and attached with the agreement by both the parties (DPO and Broadcaster).

2.10 Should 'must carry' provision be made applicable for DTH, IPTV and HITS platforms also? **YES**

2.11 If yes, should there be a provision to discontinue a channel by DPO if the subscription falls below certain percentage of overall subscription of that DPO. What should be the percentage?

Current TRAI regulation is good enough.

2.12 Should there be reasonable restrictions on 'must carry' provision for DTH and HITS platforms in view of limited satellite bandwidth? If yes, whether it should be similar to that provided in existing regulations for DAS or

different. If different, then kindly provide the details along with justification. **Let us first clarify that there are bandwidth constraints in Cable TV also to carry channels. Cable TV takes bandwidth from the telecom players, and there is a major constraint at the end of the telecom service provider, so the regulations should be same for all the DPOs'.**

2.13 In order to provide more transparency to the framework, should there be a mandate that all commercial dealings should be reflected in an interconnection agreement prohibiting separate agreements on key commercial dealing viz. subscription, carriage, placement, marketing and all its cognate expressions? **Agreement for subscription, carriage, placement, marketing and all its cognate expressions should be separate, however value, terms and conditions of each deal should be published after getting being vetted by TRAI on their website.**

Issue 3:- EXAMINATION OF RIO [3.26-3.32]

3.1 How can it be ensured that published RIO by the providers fully complies with the regulatory framework applicable at that time? What deterrents do you suggest to reduce non compliance?

Vetting of every offer by the regulator will ensure will ensure TRAI/Govt. compliance.

3.2 Should the regulatory framework prescribe a time period during which any stakeholders may be permitted to raise objections on the terms and conditions of the draft RIO published by the provider? **Yes**

3.3 If yes, what period should be considered as appropriate for raising objections? **One Month.**

Issue 4:- TIME LIMIT FOR PROVIDING SIGNALS OF TV CHANNELS / ACCESS TO THE PLATFORM [3.33-3.39]

4.1 Should the period of 60 days already prescribed to provide the signals may be further sub divided into sub-periods as discussed in consultation paper? Kindly provide your comments with details.

This period should be reduced. If DPO provides all the necessary documents, and BECIL Certificate then he should be provided signals within 15 days. The commercial agreement should be available on website of the broadcaster/IMS, to enable DPO to take a print out of the same on the stamp paper and submit duly completed agreement.

4.2 What measures need to be prescribed in the regulations to ensure that each service provider honour the time limits prescribed for signing of mutual agreement? Whether imposition of financial disincentives could be an effective deterrent? If yes, then what should be the basis and amount for such financial disincentive?

To implement this a coordination is very important between TRAI and MIB, so that, the stake holders implement this with full honesty, and should not look for the loopholes. There should be clarity of punishment if someone doesn't follow the Guidelines, and there license should be cancelled, should neither be renewed nor be issued any new License.

4.3 Should the SIA be mandated as fall back option? **Only published RIO should be signed, no mutual agreements should be allowed.**

4.4 Should onus of completing technical audit within the prescribed time limit lie with broadcaster? If no, then kindly suggest alternative ways to ensure timely completion of the audit so that interconnection does not get delayed.

BECIL certification only should be applicable. This is the only solution.

4.5 Whether onus of fixing the responsibility for delay in individual cases may be left to an appropriate dispute resolution forum?

Yes

Issue 5:- REASONS FOR DENIAL OF SIGNALS / ACCESS TO THE PLATFORM [3.40-3.42]

5.1 What are the parameters that could be treated as the basis for denial of the signals/ platform?

If TRAI Guidelines and compliances are not fulfilled by the DPO.

5.2 Should it be made mandatory for service providers to provide an exhaustive list in the RIO which will be the basis for denial of signals of TV channels/ access of the platform to the seeker.

If one doesn't follow instructions mentioned in Q. No. 2.9.

Issue 6:- INTERCONNECTION MANAGEMENT SYSTEM (IMS) [3.43-3.48]

6.1 Should an IMS be developed and put in place for improving efficiencies and ease of doing business?

Yes

6.2 If yes, should signing of interconnection agreements through IMS be made mandatory for all service providers?

Yes

6.3 If yes, who should develop, operate and maintain the IMS? How that agency may be finalised and what should be the business model?

BECIL should develop the necessary IMS, and charge per agreement from the broadcaster.

6.4 What functions can be performed by IMS in your view? How would it improve the functioning of the industry?

To meet the aforementioned objectives, an online Interconnect Management System (IMS) can be developed and put in place. IMS can facilitate- (a) publishing of RIOs at central place, (b) placement of interconnection requests along with the requisite documents, (c) ensure acknowledgement of the request, initial consent by provider for providing signal/ access, (d) RIO agreement, (e) signing of commercial agreement, (f) maintaining prescribed data relating to interconnection terms in the database, (g) preserving copy of the executed agreement, (h) exchange of communications for various other purposes relating to interconnection, renewal or extension of agreements, notice for disconnection, (j) revenue settlement between service providers and (k) making available details of interconnection agreements to the Authority etc.

6.5 What should be the business model for the agency providing IMS services for being self supporting?

They should charge on per job basis.

Issue 7:- TERRITORY OF INTERCONNECTION AGREEMENT [3.49-3.51]

7.1 Whether only one interconnection agreement is adequate for the complete territory of operations permitted in the registration of MSO/ IPTV operator?

Yes

7.2 Should MSOs be allowed to expand the territory within the area of operations as permitted in its registration issued by MIB without any advance intimation to the broadcasters?

Yes

7.3 If no, then should it be made mandatory for MSO to notify the broadcaster about the details of new territories where it wants to start distribution of signal a fresh in advance? What could be the period for such advance notification?

N/A

Issue 8:- PERIOD OF AGREEMENTS [3.52-3.55]

8.1 Whether a minimum term for an interconnection agreement be prescribed in the regulations? If so, what it should be and why?

Should be as per the license period if any changes should be incorporated as an addendum only.

Issue 9:- CONVERSION FROM FTA TO PAY CHANNELS [3.56-3.57]

9.1 Whether it should be made mandatory for all the broadcasters to provide prior notice to the DPOs before converting an FTA channel to pay channel?

Yes

9.2 If so, what should be the period for prior notice?

Atleast Two Years

Issue 10:- MINIMUM SUBSCRIBERS GUARANTEE [3.58-3.62]

10.1 Should the number of subscribers availing a channel be the only parameter for calculation of subscription fee?

Yes

10.2 If no, what could be the other parameter for calculating subscription fee?

N/A

10.3 What kind of checks should be introduced in the regulations so that discounts and other variables cannot be used indirectly for minimum subscribers guarantee?

Only published TRAI vetted RIO should be signed, no other agreements should be allowed.

Issue 11:- MINIMUM TECHNICAL SPECIFICATIONS [3.63-3.67]

11.1 Whether the technical specifications indicated in the existing regulations of 2012 adequate?

Yes

11.2 If no, then what updates/ changes should be made in the existing technical specifications mentioned in the schedule I of the Interconnection Regulations, 2012?

N/A

11.3 Should SMS and CAS also be type approved before deployment in the network? If yes, then which agency may be mandated to issue test certificates for SMS and CAS?

BESIL

11.4 Whether, in case of any wrong doing by CAS or SMS vendor, action for blacklisting may be initiated by specified agency against the concerned SMS or CAS vendor.

Yes, BECIL Can cancel the certification of the CAS/SMS vendor, so as vendor may not enter into any new/fresh sales.

Issue 12:- TECHNICAL AUDIT OF ADDRESSABLE SYSTEMS [3.68-3.72]

12.1 Whether the type approved CAS and SMS be exempted from the requirement of audit before provisioning of signal?

Yes, if CAS/SMS vendor is approved by BECIL.

12.2 Whether the systems having the same make, model, and version, that have already been audited in some other network and found to be compliant with the laid down specifications, need not be audited again before providing the signal?

Yes.

12.3 If no, then what should be the methodology to ensure that the distribution network of a DPO satisfies the minimum specified conditions for addressable systems while ensuring provisioning of signals does not get delayed?

N/A

12.4 Whether the technical audit methodology prescribed in the regulations needs a review? If yes, kindly suggest alternate methodology.

No

12.5 Whether a panel of auditors on behalf of all broadcasters be mandated or enabled? What could be the mechanism?

Yes, panel of auditors should be certified/approved by BECIL.

12.6 Should stringent actions like suspension or revocation of DPO license/ registration, blacklisting of concerned SMS and CAS vendors etc. be specified for manipulating subscription reports? Will these be effective deterrent? What could be the other measures to curb such practices?

A show cause notice should be issued then an appropriate action may be taken.

Issue 13:- SUBSCRIPTION DETAILS [3.73-3.80]

13.1 Should a common format for subscription report be specified in the regulations? If yes, what should be the parameters? Kindly suggest the format also.

Yes, it should have no. of STB/CPU/Device subscribing a particular channel/broadcast specific bouquet.

13.2 What should be the method of calculation of subscription numbers for each channel/ bouquet? Should subscription numbers for the day be captured at a given time on daily basis?

Yes, should be the method of calculation of subscription numbers for each channel/ bouquet. No, subscription numbers for the day be captured at a given time on daily basis.

13.3 Whether the subscription audit methodology prescribed in the regulations needs a review?

No.

13.4 Whether a common auditor on behalf of all broadcasters be mandated or enabled? What could be the mechanism?

Yes, panel of auditors should be certified/approved by BECIL.

13.5 What could be the compensation mechanism for delay in making available subscription figures?

Beyond the reasonable reasons, per day delay fee may be introduced, as in case of delay in submission of service tax returns regulations etc.

13.6 What could the penal mechanism for difference be in audited and reported subscription figures?

If the difference is more than 5% between the audited and subscription fig. the penal should be as is mentioned in service tax regulations.

13.7 Should a neutral third party system be evolved for generating subscription reports? Who should manage such system? Yes, Third party should be certified by BECIL for any dispute BECIL should check or Tribunal should take decisions of any dispute between the stake holders and third party.

13.8 Should the responsibility for payment of audit fee be made dependent upon the outcome of audit results?

Yes

Issue 14:- DISCONNECTION OF SIGNALS OF TV CHANNELS [3.81-3.84]

14.1 Whether there should be only one notice period for the notice to be given to a service provider prior to disconnection of signals?

Before the disconnection notice a show cause notice be served, thereafter present regulation is good enough.

14.2 If yes, what should be the notice period?

Present regulation is good enough.

14.3 If not, what should be the time frame for disconnection of channels on account of different reasons?

N/A

Issue 15:- PUBLICATION OF ON SCREEN DISPLAY FOR ISSUE OF NOTICE FOR DISCONNECTION OF TV SIGNALS [3.85-3.88]

15.1 Whether the regulation should specifically prohibit, the broadcasters and DPOs from displaying the notice of disconnection, through OSD, in full or on a partial part of the screen?

Yes, all type of OSDs' should be prohibited.

15.2 Whether the methodology for issuing notice for disconnection prescribed in the regulations needs a review? If yes, then should notice for disconnection to consumers be issued by distributor only?

Present regulation is good enough.

15.3 Whether requirement for publication of notices for disconnection in the news papers may be dropped?

Present regulation is good enough.

Issue 16:- PROHIBITION OF DPO AS AGENT OF BROADCASTERS [3.89-3.91]

16.1 Whether the Regulations should specifically prohibit appointment of a MSO, directly or indirectly, as an agent of a broadcaster for distribution of signal?

Yes

16.2 Whether the Regulations make it mandatory for broadcasters to report their distributor agreements, through which agents are appointed, to the Authority for necessary examination of issue of conflict of interest? Yes

Issue 17:- INTERCONNECTION BETWEEN HITS/IPTV OPERATOR AND LCO [3.93-3.96]

17.1 Whether the framework of MIA and SIA as applicable for cable TV services provided through DAS is made applicable for HITS/IPTV services also.

Yes, to all Distribution Platforms like, MSO/DTH/HITS/IPTV/OTT etc.

17.2 If yes, what are the changes, if any, that should be incorporated in the existing framework of MIA and SIA.

NO need of changes required.

17.3 If no, what could be other method to ensure nondiscrimination and level playing field for LCOs seeking interconnection with HITS/IPTV operators?

N/A

Issue 18:- TIME PERIOD FOR PROVIDING SIGNALS OF TV CHANNELS [3.97-3.99]

18.1 Whether the time periods prescribed for interconnection between MSO and LCO should be made applicable to interconnection between HITS/IPTV operator and LCO also? If no, then suggest alternate with justification.

18.2 Should the time period of 30 days for entering into interconnection agreement and 30 days for providing signals of TV channels is appropriate for HITS also? If no, what should be the maximum time period for provisioning of signal to LCOs by HITS service provider? Please provide justification for the same.

Issue 19:- REVENUE SHARE BETWEEN HITS/IPTV OPERATOR AND LCO [3.100-3.103] Page 71 of 77

19.1 Whether the Authority should prescribe a fall back arrangement between HITS/IPTV operator and LCO similar to the framework prescribed in DAS?

Yes

19.2 Is there any alternate method to decide a revenue share between MSOs/ HITS/IPTV operators and LCOs to provide them a level playing field?

Issue 20:- NO-DUES CERIFICATES [3.104-3.107]

20.1 Whether a service provider should provide on demand a no due certificate or details of dues within a definite time period to another service provider? If yes, then what should be the time period?

Yes, 30 days.

Issue 21:- PROVIDING SIGNALS TO NEW MSOs [3.108-3.110]

21.1 Whether it should be made mandatory for the new MSO to provide the copy of current invoice and payment receipt as a proof of having clear outstanding amount with the last affiliated MSO?

Yes, and also NOC for CPE/and any other equipment provided to him by the last affiliated MSO.

21.2 Whether the broadcaster should be allowed to deny the request of new MSO on the grounds of outstanding payments of the last affiliated MSO?

Yes

Issue 22:- SWAPPING OF SET TOP BOX [3.111-3.113]

22.1 Whether, it should be made mandatory for the MSOs to demand a no-dues certificate from the LCOs in respect of their past affiliated MSOs?

Yes

22.2 Whether it should be made mandatory for the LCOs to provide copy of last invoice/ receipts from the last affiliated MSOs?

Yes

Issue 23:- ANY OTHER RELEVANT ISSUE THAT THEY MAY DEEM FIT IN RELATION TO THIS CONSULTATION PAPER.

1. Whichever agreement is submitted with TRAI by the stake holders, the relevant stamp paper should not be issued more than 15 days before the date of submission of the agreement. This will stop the manipulation by the stake holders.
2. No direct or indirect benefit should be allowed by any broadcaster to any DPO e.g. some broadcasters give benefits to the DPOs' directly or through third party, in the form of advertisement, marketing, Carriage fee for FTA Channel, preferred channel position.

