

भारतीय दूरसंचार विनियामक प्राधिकरण TELECOM REGULATORY AUTHORITY OF INDIA

भारत सरकार /Government of India



Dated: 4th December 2020

DIRECTION

Subject: Direction to M/s. Seven Star Dot Com Pvt. Ltd. (Seven Star) under section 13, read with sub-clause (v) of clause (b) of sub-section (1) of section 11, of the Telecom Regulatory Authority of India Act, 1997, to ensure compliance to the Telecommunication (Broadcasting and Cable) Services (Eighth) (Addressable Systems) Tariff Order, 2017, the Telecommunication (Broadcasting and Cable) Services Interconnection (Addressable Systems) Regulations, 2017, and the Telecommunication (Broadcasting and Cable) Services Standards of Quality of Service and Consumer Protection (Addressable Systems) Regulations, 2017, dated 3rd March, 2017.

No. 12-26/2020-B&CS: Whereas the Telecom Regulatory Authority of India [hereinafter referred to as the Authority], established under sub-section (1) of section 3 of the Telecom Regulatory Authority of India Act, 1997 (24 of 1997) (hereinafter referred to as TRAI Act), has been entrusted to discharge certain functions, inter-alia, to regulate the telecommunication services; lay-down the standards of quality of service to be provided by the service providers and ensure the quality of service and conduct the periodical survey of such service provided by the service providers so as to protect interest of the consumers of telecommunication services;

- 2. And whereas, the Central Government, in the Ministry of Communications and Information Technology (Department of Telecommunications), vide its Notification No.39, ...
- (a) issued, in exercise of the powers conferred upon by Proviso to clause (k) of subsection (1) of section 2 of the TRAI Act, and
- (b) published under notification No.S.O.44 (E) dated 9th January, 2004 in the Gazette of India, Extraordinary, Part II, Section 3 sub-section (ii)

has notified broadcasting services and cable services to be telecommunication service;

3. And whereas the Authority notified a new regulatory framework for Broadcasting and Cable TV services provided through addressable systems, encompassing the following: -

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- (a) the Telecommunication (Broadcasting and Cable) Services (Eighth) (Addressable Systems) Tariff Order, 2017 dated 3rd March, 2017 [Tariff Order 2017];
- (b) the Telecommunication (Broadcasting and Cable) Services Interconnection (Addressable Systems) Regulations, 2017 dated 3rd March, 2017 [Interconnection Regulation 2017]; and
- (c) the Telecommunication (Broadcasting and Cable) Services Standards of Quality of Service and Consumer Protection (Addressable Systems) Regulations, 2017 dated 3rd March, 2017 [QoS Regulation 2017];
- 4. And whereas regulation 4(4) of the Interconnection Regulation, 2017 provides for general obligations of distributors of television channels, and reads as under: -
 - "(4) Every distributor of television channels shall, within thirty days from the commencement of these regulations or within thirty days from the commencement of its operations, as the case may be, on its website, publish —
 - (a) target markets as declared under sub-regulation (3) of this regulation;
 - (b) the total channel carrying capacity of its distribution network in terms of number of standard definition channels;
 - (c) list of channels available on the network;
 - (d) number of channels for which signals of television channels have been requested by the distributor from broadcasters and the interconnection agreements signed;
 - (e) spare channel capacity available on the network for the purpose of carrying signals of television channels; and
 - (f) list of channels, in chronological order, for which requests have been received from broadcasters for distribution of their channels, the interconnection agreements have been signed and are pending for distribution due to non-availability of the spare channel capacity:

Provided that the list of channels in chronological order, under clause (f), shall be prepared on the basis of date and time of receipt of the written request from the broadcaster;

Provided further that for the purpose of calculating spare channel capacity of the distribution network, one high definition channel shall be equal to two standard definition channels:

Provided further that spare channel capacity available on the network under clause (e) shall be the difference between the total channel carrying capacity of the distribution network and numbers of channels available on the distribution network in terms of standard definition channels:

Provided further that any subsequent change, due to addition or reduction in total

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channel carrying capacity of the distribution network or due to addition of channels on the distribution network or due to discontinuation of existing channels available on distribution the network, shall be reflected in the spare channel capacity:

Provided also that any change in the information, published under this sub-regulation, shall be updated on the website within seven calendar days from the date of occurrence of such change.";

- 5. And whereas regulation 8 of the Interconnection Regulation, 2017 provides for publication of reference interconnection offer by distributor of television channels, and reads as under: -
 - "8. Publication of reference interconnection offer by distributor of television channels. (1) Every distributor of television channels shall publish, on its website, reference interconnection offer, in conformance with the regulations and the tariff orders notified by the Authority, for carrying channels —
 - (a) within sixty days of commencement of these regulations; and
 - (b) before starting a new distribution network: and simultaneously submit, for the purpose of record, a copy of the same to the Authority.

Provided that such reference interconnection offer shall be applicable only in the cases where a broadcaster requests a distributor of television channels to carry the broadcaster's channels on the distribution network.

(2) The reference interconnection offer, referred to in sub-regulation (1), shall contain the technical and commercial terms and conditions relating to, including but not limited to, target market, rate of carriage fee per month, average active subscriber base of standard definition set top boxes and high definition set top boxes at the time of publication of the reference interconnection offer, discounts, if any, offered on the rate of carriage fee, manner of calculation of carriage fee payable to the distributor and other necessary conditions:

Provided that the rate of carriage fee per standard definition channel per subscriber per month to be declared by a distributor of television channels shall not exceed twenty paisa and the total carriage fee payable for such television channel per month, by a broadcaster to a distributor of television channels, shall, in no case, exceed rupees four lakh:

Provided further that the rate of carriage fee per high definition channel per subscriber per month to be declared by a distributor of television channels shall not exceed forty paisa and the total carriage fee payable for such television channel per month, by a broadcaster to a distributor of television channels, shall, in no case, exceed rupees eight lakh:

Provided also that a distributor of television channels shall calculate the carriage fee amount for television channels as per the provisions specified in the Schedule I, which shall change with the changes in monthly subscription percentage of such television

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channels:

(3) It shall be permissible to a distributor of television channels to offer discounts to broadcasters on the rate of carriage fee which shall not exceed thirty five percent of the rate of carriage fee declared under sub-regulation (2):

Provided that offer of discounts, if any, to broadcaster on the carriage fee, shall be on the basis of fair, transparent and non-discriminatory terms:

Provided further that the parameters of discounts shall be measurable and computable:

Provided also that it shall be permissible for a distributor of television channels to offer discounts exceeding thirty five percent of the rate of carriage fee declared under sub-regulation (2) for the channel specified by the Authority, through a direction, in the public interest:

- (4) Every distributor of television channels shall, in its reference interconnection offer, mention the names of persons, telephone numbers, and e-mail addresses, designated for receiving interconnection requests from broadcasters and grievance redressal thereof;
- (5) The terms and conditions mentioned in the reference interconnection offer shall include all necessary and sufficient provisions, which make it a complete interconnection agreement for signing by other party, for carrying television channels;
- (6) The Authority, suo-motu or otherwise, may examine the reference interconnection offer submitted by a distributor of television channels and on examination if the Authority is of the opinion that the reference interconnection offer has not been prepared in conformance with the provisions of the regulations and the tariff orders notified by the Authority, it may, after giving an opportunity of being heard to such distributor, direct such distributor to modify the said reference interconnection offer and such distributor shall amend reference interconnection offer accordingly and publish the same within fifteen days of receipt of the direction.
- (7) Any amendment to the reference interconnection offer shall be published in the same manner as provided under the sub-regulation (1), (2), (3), (4) and (5) of this regulation.
- (8) In the event of any amendment in the reference interconnection offer by a distributor of television channels under sub-regulation (7), the distributor shall given an option to all broadcasters, with whom it has written interconnection agreements in place, within thirty days from the date of such amendment and it shall be permissible to such broadcasters to enter into fresh interconnection agreements in accordance with the amended reference interconnection offer within thirty days from the date of receipt of such option or continue with the existing interconnection agreements.";
- 6. And whereas clause 4 of the Tariff Order 2017 provides for declaration of network capacity fee and manner of offering of channels by distributors of television channels, and reads as under: -

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"4. Declaration of network capacity fee and manner of offering of channels by distributors of television channels.--- (1) Every distributor of television channels shall declare network capacity fee, per month, payable by a subscriber for availing a distribution network capacity so as to receive the signals of television channels:

Provided that the network capacity fee, per month, for network capacity upto initial two hundred SD channels, shall, in no case, exceed rupees one hundred and thirty, excluding taxes:

Provided further that the network capacity fee, per month, for network capacity for receiving more than two hundred SD channels, shall, in no case, exceed rupees one hundred and sixty, excluding taxes:

Provided also that a distributor of television channels shall be free to declare different network capacity fee for different regions within its service area, and shall report to the Authority, the details of such network capacity fee for each regions:

Provided also that the network capacity fee, per month, for each additional TV connection, beyond the first TV connection in a multi TV home shall, in no case, exceed forty percent of the declared network capacity fee:

Provided also that one HD channel shall be treated equal to two SD channels for the purpose of calculating number of channels within the distribution network capacity subscribed.";

- 7. And whereas regulation 3(5) of the QoS Regulation, 2017 provides for provision of broadcasting services related to television, and reads as under: -
 - **"3. Provision of broadcasting services related to television.** (5) Every distributor of television channels or its linked local cable operator, as the case may be, offering broadcasting services related to television, shall devise a Consumer Application Form, either in electronic format or print format or both, for initial subscription to such services containing the information as provided in the Schedule I of these regulations.";
- 8. And whereas regulation 25(1) of the QoS Regulation, 2017 provides for customer care centre, and reads as under: -
 - **"25. Customer care centre.—** (1) Every distributor of television channels shall, before providing broadcasting services related to television to its subscribers, establish a customer care centre, for addressing their service requests and redressal of complaints and the distributor shall ensure that such centre:
 - (a) has a toll free "customer care number" having sufficient number of lines or connections and human resources to efficiently service the subscriber base of the distributor,
 - (b) is accessible, at least, between 08:00 hrs and 22:00 hrs on all days of the week,
 - (c) provides the services in the regional language of the service area in addition to Hindi and English,
 - (d) has an Interactive Voice Response System (IVRS) with provision for complaint registration and
 - (e) has a web-based complaint management system.";

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- 9. And whereas regulation 31 of the QoS Regulation, 2017 provides for establishment of website, and reads as under: -
 - **"31. Establishment of website.—** (1) Every distributor of television channels shall establish and maintain a website for the purpose of publicity of information related to broadcasting services related to television offered by the distributor and for consumer awareness:

Provided that it shall be permissible for a distributor of television channels to engage any agency for establishing and operating such website:

Provided further that the responsibility for compliance of the provisions of these regulations shall rest with the distributor of television channels.

- (2) Every distributor of television channels shall provide a hyperlink for "consumer corner" on the home page of the website which shall be clearly visible and noticeable to visitors without scrolling the page.
- (3) The consumer corner hyperlink referred to in sub-regulation (2) shall point to another web page where the information in accordance with Schedule II of these regulations shall be made available.
- (4) The web page referred in sub-regulation (3), shall also have a provision for login to the subscribers to access information specific to such subscriber in accordance with Schedule III of these regulations.";
- 10. And whereas regulation 37 of the QoS Regulation, 2017 provides for manual of practice, and reads as under: -
 - **"37. Manual of Practice.** Every distributor of television channels shall publish a manual of practice on its website which shall contain information in accordance with Schedule IV to these regulations:

Provided that it shall be permissible for the distributor of television channels, to publish and provide the manual of practice in printed form and in Hindi, English or Regional language as per the requirements of service area.";

- 11. And whereas compliance to the provisions of the new regulatory framework was sought from **M/s**. Seven Star Dot Com Pvt. Ltd. (Seven Star) by TRAI Regional Office, Bangalore;
- 12. And whereas on scrutiny of the compliance received from Seven Star and on verification from the website of Seven Star, it is observed that it does not comply with few of the provisions of the new regulatory framework, as enumerated below:
 - a) the details of information i.e. target market, total channel carrying capacity, list of channels, spare channel capacity etc. are not available on the website

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- of Seven Star [mandated as per <u>regulation 4(4) of the Interconnection Regulation, 2017]</u>;
- b) the Reference Interconnect Offer (RIO) has not been published on the website by Seven Star [mandated as per <u>regulation 8 of the Interconnection Regulation, 2017]</u>;
- c) the detailed format of CAF (containing the details /information as per Schedule-I of the QoS Regulation 2017) has not been made available to the consumers on the website by Seven Star [mandated as per regulation 3(5) read with entries from Part-A to part-F of Schedule-I to the QoS Regulation, 2017];
- d) the consumer corner hyperlink provided to the consumers on the website by Seven Star does not contain the details as per Schedule-II of the QoS Regulation 2017 [mandated as per regulation 31(3) read with entry 1 to 12 of Schedule-II to the QoS Regulations, 2017];
- e) the list of Free to Air (FTA) Channels is not available (under consumer corner) on the website by Seven Star [mandated as per regulation 31(3) read with entry 1(a) of Schedule-II to the QoS Regulation, 2017];
- f) the list of all the bouquets of pay channels formed by broadcasters are not available (under consumer corner) on the website of Seven Star [mandated as per_regulation 31(3) read with per entry 1(d) of Schedule-II to the QoS Regulation, 2017];
- g) the Network Capacity Fee (NCF) as per the new regulatory framework (as amended) is not available (under consumer corner) on the website of Seven Star [mandated as per clause 4 of the Tariff Order, 2017 and regulation 31(3) read with entry 2 of Schedule-II to the QoS Regulation, 2017];
- h) the details of CPE schemes have not been made available (under consumer corner) on the website by Seven Star [mandated as per regulation 31(3) read with entry 4 of Schedule-II to the QoS Regulation, 2017];
- i) the web-based complaint management system has not been made available to the consumers on the website by Seven Star [mandated as per <u>regulation</u> 25(1) & 31(3) read with entry 8 of Schedule-II to the QoS Regulation, 2017];
- j) the website of Seven Star does not display the LCN no. of the consumer Information channel [mandated as per regulation 31(3) read with entry 12 of Schedule-II to the QoS Regulation, 2017];
- k) the subscriber corner hyperlink, (containing the features & information as per Schedule-III of the QoS Regulation 2017), has not been provided to the consumers on the website by Seven Star [mandated as per regulation 31(4) of the QoS Regulation, 2017]; and
- l) the Manual of Practice, (containing the details as per Schedule-IV of the QoS Regulation, 2017) is not available on the website of Seven Star [mandated as per regulation 37 read with entry 1 to 6 of Schedule-IV to the QoS Regulation,

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13. Now, therefore, the Authority, in exercise of its power under section 13, read with sub-clause (v) of clause (b) of sub section (1) of section 11, of the Telecom Regulatory Authority of India Act, 1997 (24 of 1997) hereby directs **M/s. Seven Star Dot Com Pvt. Ltd.**, to comply with the provisions of the Telecommunication (Broadcasting and Cable) Services Interconnection (Addressable Systems) Regulations, 2017, the Telecommunication (Broadcasting and Cable) Services Standards of Quality of Service and Consumer Protection (Addressable Systems) Regulations, 2017, and the Telecommunication (Broadcasting and Cable) Services (Eighth) (Addressable Systems) Tariff Order, 2017, and furnish compliance report to this Direction to the Authority within twenty one (21) days from the date of issuance of the Direction.

(Devendra Dwivedi)
Joint Advisor (B&CS)

To

Mr. Shamim A. Mehmood Shaikh, Director, M/s Seven Star Dot Com Pvt Ltd., 3, Mini jewel, Seven Bungalows, J.P. Road, Versova, Andheri (W), Mumbai (Maharashtra) Pin – 400061.