

Reliance BIG TV's Response to the Consultation Paper on "Regulatory Framework for Platform Services"

- (I). This is with reference to the Consultation paper on Regulatory Framework for Platform Services, which has been floated by TRAI seeking views of the stakeholders.
- (II). At the outset, we welcome the opportunity to comment on issues concerning platform services on the network of Distribution Platform Operators (DPOs) including DTH operators. Below are the question wise comments of Reliance BIG TV Limited. We believe that TRAI would consider the same before coming up with a final view.

Comments on Issues for Consultation

1. Do you agree with the definition for platform services proposed in paragraph 1.6? If not, please suggest an alternative definition. Please elaborate your response with fully justification.

Response: The definition of platform services as proposed by TRAI provides:

"Platform services (PS) are programs transmitted by distribution platform operators (DPOs) exclusively to their own subscribers and does not include Doordarshan channels and TV channels permitted under downlinking guidelines."

The proposed definition presents a clear demarcation between the channels of public and private broadcasters and the services other than these channels offered by the DPOs, however, it is necessary to cover all kind of services currently offered by the DPOs or will be offered by the DPOs in future in the definition of platform service.

The word 'program/programme' has been defined in TRAI interconnection regulations and Cable Television Network (Regulations) Act as:

"programme" means any television broadcast and includes-

(i) exhibition of films, features, dramas, advertisements and serials through video cassette recorders or video cassette players;

(ii) any audio or visual or audio-visual live performance or presentation, and the expression 'programming service' shall be construed accordingly;"

Thus, the said definition of programme only talks about television broadcast and does not cover the services like interactive services (games, education, cooking etc.), Pay Per View and on demand services (movie on demand, video on demand etc.) or any other services which may be offered by the DPOs in future.

In our opinion, if TRAI prescribes the proposed definition for platform services then it may require amendments in the definition of *Programme* hence we suggest a slight modification in the definition of platform services. The definition of platform services should be:

“Platform services (PS) are programmes, interactive services, Pay per View (PPV), on demand services or any other services transmitted by distribution platform operators (DPOs) exclusively to their own subscribers and does not include Doordarshan channels and TV channels permitted under downlinking guidelines.”

It is further submitted that TRAI in its recommendations on “Application Services” dated 12th May 2012 has recommended the definition of application services in case of telecommunications. Similar definition may be adopted for PS which may be modified as below:

“Platform services are enhanced services, in the nature of non-core services, which either add value to the basic television services or can be provided as standalone application services through the network of a DPO. The basic services are standard television services as transmitted by the DPOs without any alteration.”

2. Kindly provide comments on the following aspects related to programs to be permitted on PS channels:

1. PS channels cannot transmit/ include

- 2.1.1 Any news and/or current affairs programs,**
- 2.1.2 Coverage of political events of any nature,**
- 2.1.3 Any programs that is/ has been transmitted by any Doordarshan channels or TV channels permitted under uplinking/ downlinking guidelines, including serials and reality shows,**
- 2.1.4 International, National and State level sports events/ tournament/ games like IPL, Ranji trophy etc.**

2. PS channels can transmit/ include

- 2.2.1 Movie/ Video on demand**
- 2.2.2 Interactive games**
- 2.2.3 Coverage of local cultural events and festivals, traffic, weather, educational/ academic programs (such as coaching classes), information regarding examinations, results, admissions, career counselling, availability of employment opportunities, job placement.**
- 2.2.4 Public announcements pertaining to civic amenities like electricity, water supply, natural calamities, health alerts etc. as provided by the local administration.**
- 2.2.5 Information pertaining to sporting events excluding live coverage.**
- 2.2.6 Live coverage of sporting events of local nature i.e. sport events played by district level (or below) teams and where no broadcast rights are required.**

Response: While classifying the programmes under the categories what PS channels can transmit and what they cannot transmit, TRAI has proposed that DPOs cannot transmit any program that has been transmitted by any DD channels or TV channels permitted under uplinking/ downlinking guidelines, including serials and reality shows.

We are of the view that DPOs should allow to provide the programmes e.g. serials, reality shows, sports events etc. on their platform as pay per view service or on a monthly Pay service. These programmes should include those serials/shows/events/music-videos/behind-the-scenes/documentaries/teleshopping shows which have already been aired by the respective broadcasters/will be aired in future or may be sourced directly from a third party whether in India or Internationally (as long as Programming and Advertisement codes are maintained), whether aired by Broadcasters or not.

DPOs may get the rights from the respective broadcaster/content owner for provisioning of these programmes as PPV / Monthly Pay service. This will benefit the broadcasters, DPOs as well as the consumers at large. For example, serials like Game of Thrones, the Big bang Theory etc. which comes with seasons can be provided by the DPOs as PPV / Monthly Pay Service on their platform after buying the rights for the previous seasons from the respective broadcaster. The consumers will be benefited as they may watch these serials as per their convenience. Same is also applicable for any realty show/event and sports events.

Broadcasters may argue that if this will be allowed then the repeat telecast done by the broadcasters of their programmes will get affected. However, as stated earlier, this arrangement will be beneficial for the broadcasters as in most of the cases, broadcasters are themselves the owner of the content and hence they will always be in control of the serials/events etc. It will create a win-win situation for the broadcasters, DPOs and consumers if broadcasters grant the rights to the DPOs for providing their content as PPV / monthly Pay service.

In case of events, live coverage should be allowed if due to any reason such coverage is not possible in the channel of the Broadcaster. Broadcaster can provide the live feed of the event to the DPOs, on non-discriminatory basis, after giving the right to transmit the event directly on their platforms. Also, in case of some sports event, DPOs should be allowed to carry the same event but with a different camera angle after getting the necessary rights and feed from the broadcasters. Eventually all these activities will benefit the consumer as they will be able to watch the event irrespective of who is providing it (whether a broadcaster or a DPO).

In view of this, we suggest that Authority should specify those services which cannot be included under Platform Service and PS Channels can transmit/include all those services which are not specifically prohibited from including as platform service.

3. What should be the periodicity of review to ensure that the PS is not trespassing into the domain of regular TV Broadcasters?

Response: We suggest that any DPO who launches a platform service shall intimate the Authority within 21 days from the launch of such service with the requisite information alongwith a compliance report stating that this platform service is in compliance with the provisions specified by the Authority.

4. Should it be mandatory for all DPOs to be registered as Companies under the Companies Act to be allowed to operate PS? If not, how to ensure uniform legal status for all DPOs?

Response: Yes. We are in concurrence with the Authority's view that the DPO who wishes to provide PS to their subscribers should be registered as Company under the Companies Act. As per the DTH license condition, it is mandatory for the DTH licensee to be an Indian Company registered under Indian Company's Act. To ensure uniformity amongst the DPOs offering PS, it is necessary for the DPO to be registered as Company. Thus, we request TRAI to mandate it for all the DPOs who are offering or will offer PS to be registered as a Company under the Indian Company Act.

5. Views, if any, on FDI Limits?

Response: As submitted earlier, we agree with TRAI's proposal that the "News and/or Current Affairs should not be included under the category of platform service. Ministry of Information and Broadcasting has kept the FDI limit to 26% (through FIPB route) in private satellite news channels. As the news and current affairs category of programmes will be excluded from the PS, there is no need to further put any restrictions on the FDI limit on DPOs offering PS.

Moreover, the PS would not fall under the uplinking/downlinking guidelines hence the restrictions applicable for the uplinking/downlinking of television channels will not affect the DPOs who will offer the PS.

In view of the above, we request the Authority not to put any FDI restriction on the DPOs offering PS. Also, as TRAI recommended FDI limit to 100% in case of DTH services, same should also be recommended for PS.

6. Should there be any minimum net-worth requirement for offering PS channels? If yes, then what should it be?

Response: For the DPOs, platform service is only their ancillary business and not main business which is providing DTH service and hence there need not to be any separate net-worth requirement for offering PS channels. Hence, TRAI should not mandate some minimum net worth for the DPOs for offering PS channels.

However, if TRAI decided to mandate some net worth for the provisioning of PS by a DPO, then it should not be equated with the net worth requirement to operate a private television channels since PS does not fall under the purview of private television channels being an ancillary services offered by the DPO.

7. Do you agree that PS channels should also be subjected to same security clearances/conditions, as applicable for private satellite TV channels?

Response: Platform services are different from the satellite television channels under uplinking/downlinking guidelines. Hence, the security clearances/conditions as applicable for private satellite TV channels should not be implemented as it is for the PS.

Moreover, in case of DTH, operators are bound with the license conditions. Article-6: Prohibition of Certain Activities, Article-8: Monitoring and Inspection and Article-9: National Security and Other Conditions of the DTH license agreements covers the security concerns which every DTH operators are required to comply with. Similar provisions have been mandated in the IPTV guidelines. Thus, there is no additional requirement to prescribe security clearances which are applicable for private satellite TV channels.

However, to keep parity amongst the DPOs, we request to the Authority that the Monitoring and Security conditions as applicable for the DTH/IPTV operators according to their license conditions should be made applicable for other DPOs.

8. For the PS channels to be registered with MIB through an online process, what should be the period of validity of registrations and annual fee per channel?

9. What is your proposal for renewal of permission?

10. Should there be any limits in terms of geographical area for PS channels? If yes what should be these limits. Please elaborate your response with justifications.

11. Should there be a limit on the number of PS channels which can be operated by a DPO? If yes, then what should be the limit?

Response: We suggest that instead of registration of platform services, Authority should recommend the process of intimation by the DPOs for their PS to TRAI/MIB. This will also be in line with the Central Government vision: ***Intimation instead of Permission.***

TRAI in its own recommendations on “Application Services” had recommended that:

“...The licensee may provide application services and additional facilities in case of any value addition or upgradation that the technology permits subject to intimation to the licensor and TRAI about provision of any application services or additional facility along with details of provision made...”

Thus, for platform services, the intimation process shall be adopted.

TRAI should not disintegrate the PS from the operators of these PS. The validity of such PS should have a linkage with the license period of that particular DPO, as the PS would be operator specific. As in case of DTH operators, the platform services should be valid till the validity period of the DTH license. Moreover, the PS should be automatically renewed with the renewal of the license.

DTH operators are paying annual license fee to the Government and as stated earlier that PS should be viewed as integral part of the service offering, there should not be any separate annual fee/license fee on the platform services. Authority has always promoted the importance of level playing field and parity amongst the operators who are providing similar services to the consumers. Same has been reflected in various regulations/orders/recommendations of the Authority. However, DTH/IPTV operators have been mandated to pay annual license fee whereas other DPOs (MSOs/LCOs) does not have to pay any annual license fee to the Government. To

bring parity and level playing field amongst the DPOs, we request the Authority that the license fee regime should be made applicable on such DPOs as well. Nevertheless, if TRAI prescribes any annual fee for the PS, same should be exempted while calculating the license fee for DTH operators.

The number of PS should be left to the DPOs as there is no logical reason to limit this. Based on the requirement of their subscribers a DPO may launch different PS. Also, on account of commercial viability, bandwidth restrictions and presence of large scale competition amongst all DPOs in terms of no of linear channels offered, a DPO will itself limit the number of PS.

As licenses/registration/permission are granted for a geographic area and DPOs will offer PS only to their own subscribers, we submit that TRAI should restrict the sharing of a PS of one geographic area with another geographic area for which a separate license/registration has been granted to the DPO. TRAI, in this consultation paper, itself admitted that the platform services are mostly local in nature and restricted to a particular geographic area. Thus, a DPO having different license/registration for different geographical area should not be allowed to transmit PS of one geographical area into another geographical area. PS should be linked with the license/registration obtained by a DPO.

12. Do you have any comments on the following obligations/ restrictions on DPOs:

12.1 Non-transferability of registration for PS without prior approval of MIB;

12.2 prohibition from interconnecting with other distribution network for re-transmission of PS i.e. cannot share or allow the re-transmission of the PS channel to another DPO; and

12.3 Compliance with the programme & Advertisement Code and TRAI's Regulations pertaining to QoS and complaint redressal.

13. What other obligations/restrictions need to be imposed on DPOs for offering PS?

Response: The PS should be non-transferable and should not be allowed to re-transmit to another DPO. In our opinion, the Platform Services are specific to the platform of particular DPO and should be linked with the license/registration/permission granted to that DPO. This will also be in line with the definition of PS whereas the DPOs will transmit the PS exclusively to their own subscriber.

Article-5 of the DTH license conditions mandates all the DTH operators to comply with the Programme and Advertisement Code. This has also been mandated through Cable Television Network (Regulation) Act for the DPOs to be adhering with the programme and advertisement code. Hence, TRAI should not mandate additional requirements for the compliance with the programme and advertisement code as the PS will be the part of the services offered by the DPOs.

Since PS would be a part of the DPOs offerings, hence any regulations applicable on the DPOs would be applicable on the PS offerings. There are no further obligations required to be imposed on the DPOs for offering PS. In case of DTH operators, their comprehensive license guidelines are already taking care of all the concerns and the operators are complying with those provisions.

14. Should DPO be permitted to re-transmit already permitted and operational FM radio channels under suitable arrangement with FM operator? If yes, then should there be any restrictions including on the number of FM radio channels that may be re-transmitted by a DPO?

Response: DPOs should be permitted to carry the operational FM radio channels of the FM radio operators as per their mutual agreements. Allowing carriage of operational radio channels would help to increase the presence of radio channels audience on TV and its relevance to advertisers and may make more advertising revenue. In our opinion, there could be an untapped synergy between FM radio and DPOs in future and hence DPOs should be allowed to carry FM radio channels under suitable arrangement with the FM operator.

Further, there should not be any restrictions on the number of FM radio channels that may be retransmitted by a DPO. Depending upon the availability of bandwidth, business arrangement between the DPOs and FM operators and commercial viability, DPOs may themselves decide on the number of FM radio channels they would like to carry.

15. Please suggest the mechanism for monitoring of PS channel.

Response: We agree with the concern expressed by the Authority regarding the necessity to monitor the platform services. In this regard, we would like to mention that Article-8 of the DTH license agreement includes all the provisions necessary for the monitoring and inspection of the channels/services carried by the DTH operators on their platform.

The Article-8, apart from other mandatory requirements, includes that the DTH operator shall provide the necessary facility for continuous monitoring of the DTH service and maintain the recording of programmes and advertisements carried on the platform for a period of 90 days from the date of broadcast. Same would be applicable for the platform services that would be carried by the DTH operators and there is no additional requirement to mandate any other mechanism for monitoring of PS. Similar provisions has also been mandated in the IPTV guidelines. However, we request Authority that the Clauses of Article-8 of DTH license condition should be made applicable for other DPOs in order to monitor their services.

16. Do you agree that similar penal provisions as imposed on TV Broadcasters for violation of the terms and conditions of their permissions may also be imposed on PS? If not, please suggest alternative provisions with full justification.

Response: As submitted in response to earlier issues, the platform services should not be compared with the TV broadcast as it does not fall under the purview of uplinking/downlinking guidelines unlike TV broadcast. Hence, the penal provisions which are applicable on TV broadcasters for violation of the terms and conditions of permission (uplinking/downlinking guidelines) should not be imposed on platform services *ad idem*.

We would suggest the Authority that a graded mechanism should be adopted in the event any PS violated the Programming & Advertisement Code or any other terms & conditions provided in the license of DPOs.

We further like to submit that as the viewers of the PS of any DPO would be limited to the subscribers of that DPO who have subscribed for such PS only. Hence, the penal provisions in case of PS should not be equated with the penal provisions applicable for the broadcast channels as in case of the broadcast channel, their reach to the subscribers is very large.

17. What amendments and additional terms and conditions are required in the existing registration/guidelines/permission/license agreements w.r.t. DPOs for regulating the PS channels?

Response: We would like to submit that the platform services should be kept under forbearance and let the market decide how the PS should operate. The modus operandi for platform services is demand –supply. Any restriction will only hamper the growth of PS.

We further suggest that Article-10 of the DTH license conditions should be done away with and DTH operators should be allowed to offer variety of services which could be possible through DTH platform.

18. What should be the time limit that should be granted to DPOs for registration of the existing PS channels and bring them in conformity with the proposed regulatory framework once it is notified by MIB?

Response: As stated earlier, instead of registration of platform services, Authority should recommend the process of intimation by the DPOs regarding their PS to TRAI/MIB. However, if Authority decides any registration process for the PS, then we suggest that six months time should be given to the DPOs to register their existing PS, if any, with TRAI/MIB. Also, for the registration of new platform services authority should mandate a mechanism which will complete the registration process in a time bound manner within a short time period. For this, Authority may adopt the registration process laid down by the Authority for the telemarketers.

19. Stakeholder may also provide their comments on any other issue relevant to the present consultation including any change required in the existing regulatory framework.

Response: DTH-Broadband Convergence:

NTP-2012 has the vision **Broadband on Demand** and envisages leveraging telecom infrastructure to enable all citizens and businesses, both in rural and urban areas, to participate in the Internet and web economy thereby ensuring equitable and inclusive development across the nation. NTP-2012 envisages support to platform neutral services in e-governance and m-governance in key social sectors such as health, education and agriculture.

The evolution from analog to digital technology has facilitated the conversion of voice, data and video to the digital form. Increasingly, these are now being rendered through single networks

bringing about a convergence in networks, services and also devices. Hence, it is now imperative to move towards convergence between telecom, broadcast and IT services, networks, platforms, technologies and overcome the existing segregation of licensing, registration and regulatory mechanisms in these areas to enhance affordability, increase access, delivery of multiple services and reduce cost.

Thus, to achieve these objectives, it is necessary to exploit all possible resources to provide the Internet and broadband connections. As the broadcasting industry is entering into the last phase of digitization, it is now possible to converge the telecommunication and broadcasting networks, services and devices in order to facilitate the voice, video and data services through a single converged medium.

DTH is one such platform that can be leveraged to provide the converged services to the end user. The DTH operators can provide broadband, broadband based services e.g. on-demand, OTT services etc. through their platforms by converging the broadcasting and telecom (internet broadband) medium. Such model is successful in the Europe and America and commonly known as a hybrid model.

This will not only educe the plethora of new services for the consumers but also helps to extend the reach of internet based services to the far flung areas where the DTH operators are providing their services due to the availability of their satellite footprint.

The complementary assets of broadcast distribution platform (e.g. DTH) and broadband operators will enable a widescale provision of a combination of homogeneous quality liner TV with on demand services and broadband connectivity to the consumers.

Internationally there are satellite television service providers who are offering high speed broadband service through their satellites. They are either providing the two way communications through satellite only are using the internet connection of the telecom operators as the return path for up-linking whereas the down-linking medium is satellite. For example, DishNET provides a high-speed satellite based broadband services with speed as fast as 4G. AstraConnect is another operator who provides broadband services through satellite medium and provide up to 20Mbps download speed.

In the Unified License, the licensee is allowed to provide services through Satellite Bandwidth either owned by the licensee or taken into lease by the satellite company. Also, the service scope as defined in the Unified License has allowed the UL licensee to provide the broadband services. Thus, a UL license holder is allowed to provide the broadband service by using satellite transponders. On the other hand, DTH service providers, who are already running their services through satellite bandwidth are not allowed to provide the broadband services via satellite in their DTH license conditions. As stated earlier, Government vision to increase the penetration of broadband services demands that all the available facilities should be utilised in order to provide the broadband services to the masses and hence the DTH operators should be allowed to provide the broadband services to the consumers under their DTH license conditions.

In view of the above, it is requested that Authority should look into the provisioning of broadband services through DTH platforms by using a hybrid model. This should be allowed in the DTH license conditions itself and Authority shall recommend the Government to accordingly modify the DTH license conditions. This will not only increase the television viewing experience of consumers by the provisioning of on demand services but also helps to meet the Government vision as the DTH Hybrid model will provide the broadband services alongwith their broadcast services to the consumers and enhance the reach of e-governance to provide health, education etc. to the citizens.
