

December 21st, 2020

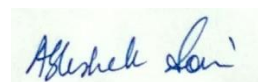
To,
Mr. Anil Kumar Bhardwaj,
Advisor (B&CS),
Telecom Regulatory Authority of India,
Mahanagar Doorsanchar Bhawan,
Jawahar Lal Nehru Marg, New Delhi 110002

Subject: Consultation Paper on Ministry of Information and Broadcasting (MIB) back reference on TRAI's Recommendations dated 19.11.2014 on 'Regulatory Framework for Platform Services' and MIB reference on TRAI's Recommendations on 'Platform Services offered by DTH Operators' dated 13.11.2019.

Sir,

Please find enclosed herewith comments of Reliance Jio Media Limited (RJML) on the consultation paper on "Ministry of Information and Broadcasting (MIB) back reference on TRAI's Recommendations dated 19.11.2014 on 'Regulatory Framework for Platform Services' and MIB reference on TRAI's Recommendations on 'Platform Services offered by DTH Operators' dated 13.11.2019", for your kind consideration.

Thanking You,
For **Reliance Jio Media Limited**,



Abhishek Soni
General Manager,
Regulatory, Policy and Corporate Affairs

Enclosures: As above.

COMMENTS ON THE CONSULTATION PAPER

Reliance Jio Media Limited (RJML) is of the view that platform services offered by MSO(s)/LCO(s) are adequately regulated under the CTN Act and the CTN Rules and therefore require no further regulatory intervention by the MIB/Authority is required. However, since a consultation has been floated by the Authority, please find below our comments in response to the consultation:

I. **Para 2.39 of the TRAI's Recommendations dated 19.11.2014 -**

Any person/ entity desirous of providing PS, or is already providing such services, must be incorporated as a company under the Indian Companies Act, 2013 and the rules framed thereunder.

MIB's view: Anybody registered as a DPO, either with MIB or with post office, shall be eligible to carry PS channels.

Authority's Recommendation: "In view of above, TRAI has no objection to accept Ministry's view provided that Ministry of Information and Broadcasting is able to specify compliance structure to ensure that those providing platform services make full disclosure on ownership status and comply to content code and advertisement code while providing platform services."

RJML's Comments: RJML agrees with the Authority's recommendation that those providing platform services should make full disclosure on the ownership status and comply with the content code and advertisement code while providing platform services.

II. **Para 2.45 of the TRAI's Recommendations dated 19.11.2014 -**

A maximum number of 5 PS channels may be offered by the cable operators in non-DAS areas. In DAS areas and for all other platforms, a maximum of 15 PS channels may be offered by the DPOs. These numbers are the number of PS channels to be made available at the subscribers' end.

MIB's view: MSOs may be permitted to operate to a maximum of 5%, and LCOs to a maximum of 1%, of the total permitted satellite channel being carried by them as permitted PS channels without any upper limit.

Authority's Recommendation: The Authority has reiterated its earlier recommendations which are as follows:

"The Authority recommends that a maximum number of 5 PS channels could be offered by the cable operators in non-DAS areas. In DAS areas and for all other platforms, a maximum of 15 PS channels could be offered by the DPOs. These numbers are the number of PS channels to be made available at the subscribers' end."

RJML's Comments: RJML is of the view that there should be no restrictions on the number of platforms services. Platform services have been in existence for decades since the inception of the cable TV distribution industry in our country. Platform services are at times wrongly compared with and viewed as a competing service with traditional satellite TV channels, however, they are very different from them and the co-existence of platform services has not hampered the growth of the satellite TV channels. Platform services have been the glue for cable TV subscribers due to local flavour of their content which is very different from satellite TV channels.

Platform services offered by MSOs should not be equated with platform services of DTH platforms due to the following:

1. Use of limited satellite spectrum for uplinking of cable TV channels as well as platforms services by DTH platforms
2. Difference between the nature of platform services of DTH and MSOs and their target markets

1. Use of limited satellite spectrum for uplinking of cable TV channels as well as platforms services by DTH platforms:

Satellite spectrum used by DTH platforms is limited in supply. Satellite TV channels and platform services offered by DTH services use the same satellite spectrum. Therefore, they compete with each other for space on the carrier of the platform.

In the case of cable television networks, there is hardly any limitation in terms of carriage capacity of satellite TV channels or platform services, there is ample carriage capacity for both. Therefore, while there might be a case for restricting the number of platform services on the DTH platform there is no need for imposing the same restriction on MSOs / LCOs due to the inherent differences in the nature of the two platforms and their modes of transmission.

2. Difference between the nature of platform services of DTH and MSOs and their target markets: Platform services provided by MSOs and LCOs serve a limited region or geography (target market) and henceforth they are designed keeping in mind the local flavour and dialects. Their programming typically consists of coverage of local sports, political, cultural and religious events etc. Therefore, the content of MSO / LCO platform services is very different from (a) satellite TV channels and (b) platform services provided by DTH platforms and hence they do not compete with them in any way.

On the other hand, platform services carried by DTH, cater to a pan India target market and therefore the nature of programming has more universal appeal and is different from that offered by MSOs/LCOs. Therefore, it will not be fair to view services by DTH and Cable TV in the same measure.

The purpose or underlying rationale for introducing an upper limit on the number of platform services is to ensure availability of adequate capacity to carry satellite TV channels. Platform services are part of the composite package of services offered by the platforms. While satellite spectrum limitations may exist for DTH services, which consequently limits the number of satellite channels they are able to carry due to the carriage of a number of platform services.

There seems no apparent need for restricting the number of platform services carried by MSOs / LCOs due to the following:

- (a) In the case of Cable TV services, there is hardly any limitation in terms of the carriage capacity of either satellite TV channels or platform services.
- (b) Platform services are not comparable to satellite TV channels due to the restricted reach, target market and nature of content.
- (c) Platform services are amply regulated by the CTN Act and the its Programme and Advertising Code.
- (d) Platform services have not restricted the growth of satellite TV channels in any way nor have they cannibalised the market share of satellite TV channels.
- (e) Further, restricting the number of platform services by MSOs/LCOs will be have adverse impact on the revenues of the industry which is already under considerable financial stress and is also facing intense competition from OTT platforms.

It will be unfair to treat both DTH and MSOs at par with each other due to the inherent differences in the technologies used and their operating models. We are of the view that there is no rationale for restricting the number of platforms services carried by a MSOs or LCOs. Platform services should be registered as proposed by TRAI and MIB for increased accountability, and be allowed to continue as is without any further restrictions.

III. Para 2.52 of the TRAI's Recommendations dated 19.11.2014

The Authority notes that all DPOs, other than MSOs and LCOs operating in non-DAS areas, are already security cleared. For these MSOs and LCOs, the Authority recommends that at any time before the MIB obtains the security clearance, it is determined that the programming service offered on PS and which has been registered on the online system is inimical to India's national security or to the public interest, MIB may require the DPO to withdraw from distribution the PS Channel or the programming service and/ or cancel the registration.

MIB's view:

1. TRAI's assumption that all the DPOs operating in DAS areas are security cleared is not correct since security clearance for LCOs is not a pre-requisite for grant of registration.
2. Taking note of this, it is recommended to extend TRAI recommendation for security clearance of MSOs/LCOs in non-DAS areas, to all MSOs / LCOs who are not security cleared and wish to offer PS to their subscribers.
3. MIB will obtain security clearance of all MSOs / LCOs, who wish to offer PS and were not MHA security cleared at the time of registration, while they run their PS. However, if at any time before the MIB obtains the security clearance, it is determined that the programming service offered on PS and which has been registered on the online system is inimical to India's national security or to the public interest, MIB may require the MSO / LCO to withdraw from distribution of the PS Channel or the programming service and / or cancel the registration.

Authority's Recommendation: The Authority has agreed with the suggestion given by MIB which are as follows:

".....To extend TRAI recommendation for security clearance of MSOs/LCOs in non-DAS areas, to all MSOs/LCOs who are not security cleared and wish to offer PS to their subscribers. MIB will

obtain security clearance of all MSOs/LCOs, who wish to offer PS and were not MHA security cleared at the time of registration, while they run their PS. However, if at any time before the MIB obtains the security clearance, it is determined that the programming service offered on PS and which has been registered on the online system is inimical to India's national security or to the public interest, MIB may require the MSO/LCO to withdraw from distribution of the PS Channel or the programming service and/or cancel the registration."

RJML's Comments: We are in agreement with the Authority's recommendation that the MIB will obtain security clearance of all MSO(s)/LCO(s), who wish to offer PS that were not MHA security cleared at the time of registration, while they run their PS.

IV. Para 2.7 of the TRAI's Recommendations dated 13.11.2019

The definition of platform services (PS) for DTH operators shall be:

"Platform services (PS) are programs transmitted by Distribution Platform Operators (DPOs) exclusively to their own subscribers and does not include Doordarshan channels and registered TV channels. PS shall not include foreign TV channels that are not registered in India."

Registered TV channels or television channels means a channel, which has been granted downlinking permission by the Central Government under the policy guidelines issued or amended by it from time to time and reference to the term "channel" shall be constructed as a reference to "television channel".

MIB's view:

It is proposed to adopt the above recommendations in respect of Platform Services offered by MSOs / LCOs also by appropriately replacing the word "DTH" with "MSO/ LCO" wherever required.

Authority's Recommendation: Authority, therefore, agrees with the views of MIB. The definition of Platform Services (PS) shall be:

"Platform services (PS) are programs transmitted by Distribution Platform Operators (DPOs) exclusively to their own subscribers and does not include Doordarshan channels and registered TV channels. PS shall not include foreign TV channels that are not registered in India."

Registered TV channels or television channels means a channel, which has been granted downlinking permission by the Central Government under the policy guidelines issued or amended by it from time to time and reference to the term 'channel' shall be constructed as a reference to 'television channel'.

RJML's Comments: In order to remove all ambiguities, we would like to suggest the definition of platform services as follows:

"Platform Service" – are programme services transmitted in the form of channel through the addressable systems of Distribution Platform Operators (DPOs) exclusively to their own subscribers and does not include Doordarshan channels, ground- based channels and satellite TV channels.

V. Para 2.16 of the TRAI's Recommendations dated 13.11.2019

(a) The programme transmitted by the DTH operator as a platform service shall be exclusive and the same shall not be permitted to be shared directly or indirectly with any other Distribution Platform Operator (DPO).

(b) Programme transmitted by the DTH operator as a platform service shall not directly or indirectly include any registered TV channel or Doordarshan channel or foreign TV channel. Time-shift feed of registered TV channels (such as +1 services) shall not be allowed as a platform service.

(c) DTH operator shall ensure and provide an undertaking to the Ministry in the format prescribed by the Ministry that the programme transmitted is exclusive to their platform and not shared directly or indirectly with any other DPO.

(d) In case the same programme is found available on the PS of any other DPO, MIB/TRAI may issue direction to immediately stop the transmission of such programme. MIB also reserves the right for cancellation of registration of such PS of the DTH operator.

MIB's views:

It is proposed to adopt the above recommendations in respect of Platform Services offered by MSOs / LCOs also by appropriately replacing the word "DTH" with "MSO/LCO" wherever required.

Authority's Recommendation: The Authority agrees with the views of MIB. The authority recommends that:

- (i) The programme transmitted by the Direct To Home (DTH) operator/ Multi Systems Operators (MSOs)/ Internet Protocol Television (IPTV)/ Head-End Into The Sky (HITS) operator as a platform service shall be exclusive and the same shall not be permitted to be shared directly or indirectly with any other Distribution Platform Operator (DPO).
- (ii) Programme transmitted by the DTH operator/ MSOs/ IPTV/ HITS operator as a platform service shall not directly or indirectly include any registered TV channel or Doordarshan channel or foreign TV channel. Time-shift feed of registered TV channels (such as +1 services) shall not be allowed as a platform service.
- (iii) DTH operator/ MSOs/ IPTV/ HITS operator shall ensure and provide an undertaking to the Ministry in the format prescribed by the Ministry that the programme transmitted is exclusive to their platform and not shared directly or indirectly with any other DPO.'
- (iv) In case the same programme is found available on the PS of any other DPO, MIB/TRAI may issue direction to immediately stop the transmission of such programme. MIB also reserves the right for cancellation of registration of such PS of the DTH operator/ MSOs/ IPTV/ HITS operator.

RJML's Comments: With regards to exclusivity of content over platform services, we would like to submit that while platform services by DTH services have a PAN India target market, platform services carried by MSOs/LCOs cater to a local or regional level. Therefore, local sports events, special Pooja or Arti in a mandir on special / festive occasions etc are bound to be likely to be part of the platforms service of the different operators in the region. Similarly, regional programming like local news bulletins and local performances of songs /music etc which are specific to a particular area / region has limited audience. Platform services play an important role in providing exposure to local artists and talent and they are usually provided free of cost, therefore, their programming budgets are minimal. Therefore, mandating exclusivity of programming on platform services will not be economically viable, as every operator will have to cover such events using their own cameras and other resources, this could eventually lead to a gradual death of these services.

Moreover, content on platform service channels, like any other TV channel is copyright protected. Access to creative content is facilitated through commercial negotiation followed by licensing on fair and reasonable terms. Any regulation on platform services should be mindful of this. It is urged

that issues such as the exclusivity of content on PS channels must be decided by market forces only.

VI. Para 2.37 of the TRAI's Recommendations dated 13.11.2019

The Authority recommends that the DTH operators shall provide an option of activation/deactivation of platform services as prescribed in the orders/directions/regulations issued by TRAI from time-to-time.

MIB's view:

It is proposed to adopt the above recommendations in respect of Platform Services offered by MSOs / LCOs also by appropriately replacing the word "DTH" with "MSO/LCO" wherever required

Authority's Recommendation: The Authority agrees with the views of MIB. The authority recommends that the DTH operator/ MSOs/ IPTV/ HITS operator shall provide an option of activation/deactivation of platform services as prescribed in the orders/directions/regulations issued by TRAI from time-to-time.

RJML's Comments: We agree with the Authority's recommendation.

VII. Para 2.45 of the TRAI's Recommendations dated 13.11.2019

(a) The platform services channels shall be categorized under the genre 'Platform Services' in the Electronic Programmable Guide (EPG) subject to orders/ directions/ regulations issued by TRAI from time-to-time.

(b) The respective maximum retail price (MRP) of the platform service shall be displayed in the EPG against each platform service subject to orders/ directions/ regulations issued by TRAI from time-to-time.

(c) A provision for putting a caption as 'Platform Services' may be required to distinguish the platform services from the linear channels. Government may decide the caption in a size which is visually readable by the consumers.

RJML's comments to the Consultation Paper on Ministry of Information and Broadcasting (MIB) back reference on TRAI's Recommendations dated 19.11.2014 on 'Regulatory Framework for Platform Services' and MIB reference on TRAI's Recommendations on 'Platform Services offered by DTH Operators' dated 13.11.2019

MIB's view:

It is proposed to adopt the above recommendations in respect of Platform Services offered by MSOs / LCOs also by appropriately replacing the word "DTH" with "MSO/LCO" wherever required.

Authority's Recommendation: The Authority agrees with the views of MIB.

The Authority recommends that for the DTH operator/ MSOs/ IPTV/ HITS operator:

- (a) The platform services channels shall be categorized under the genre 'Platform Services' in the Electronic Programmable Guide (EPG) subject to orders/directions/regulations issued by TRAI from time-to-time.
- (b) The respective maximum retail price (MRP) of the platform service shall be displayed in the EPG against each platform service subject to orders/directions/regulations issued by TRAI from time-to-time.
- (c) A provision for putting a caption as 'Platform Services' may be required to distinguish the platform services from the linear channels. Government may decide the caption in a size which is visually readable by the consumers.

RJML's Comments: We agree with the Authority's recommendation.

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