



By Courier/ Speed post/ Email

Date: 04.10.2019

To,

Advisors (B & CS),
Telecom Regulatory Authority of India
Mahanagar Doorsanchar Bhawan,
Jawahar Lal Nehru Marg,
New Delhi - 110002

Subject: TRAI's "Consultation Paper on Platform Services offered by DTH Operators" dated 28th August, 2019, Consultation Paper No- 11/2019.

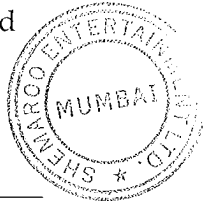
Kind Attention: Mr. Arvind Kumar/ Mr. Anil Kumar

Dear Sir/s,

We thank you for providing us with an opportunity to express our views on the captioned subject matter. Shemaroo Entertainment Limited's response is enclosed for your reference.

Thanking you,

For Shemaroo Entertainment Limited



Name : Ms. Ankita Malviya
Designation : General Manager - Legal

Encl: As Above

SHEMAROO ENTERTAINMENT LIMITED

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We, Shemaroo Entertainment Limited, are a public limited company and we are in the business of media and entertainment for the last five decades. Being a content house with global outreach we have been playing a decisive role in content ownership, aggregation and distribution. Amongst our other notable business models, we also provide content to various DPO's like DTH Operators, Cable Operators, etc. who exhibit the same on their Platform Services. We have always strived to provide varied and enriched content to as many subscribers as possible to enhance the customer's TV viewing experience.

In light of this backdrop, we would like to submit our comments on the Consultation Paper titled "Platform Services offered by DTH Operators" as stakeholders since providing quality content to DTH operators constitutes a corner stone of our business model.

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- 1. Do you think programmes of the PS should be exclusively available on one single DTH operators' network only to qualify as a PS channel for the DPO? Should there be any sharing of such programmes with other DPOs? If yes, please provide justification and if no, the reasons thereof.**
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No, we are of the opinion that there should be no exclusivity of programmes available on one single DTH Operators network for PS channels.

However, we positively affirm that there should be sharing of the programmes of the PS with other DPO's.

We hereby capitulate our reasons to substantiate our opinion:

1. The recently implemented Telecommunication (Broadcasting and Cable) Services Interconnection (Addressable Systems) Regulations, 2017 and Telecommunication (Broadcasting and Cable) Services (Eighth) (Addressable Systems) Tariff Order, 2017 places the preference and choice of consumer at the forefront. Limiting the content to subscribers of one DTH platform would ultimately deprive subscribers of other DTH operators of such content. This should be taken in to account by the Authority and consumer's interest should be the pivotal point.
2. Content viewership in India is quite multifaceted and the appetite for quality as well as diversity of content is immense. The diversity gives birth to different preferences and content requirements for different set of people. We would like to highlight that unique content like local community festivals, sports events, devotional content like live feeds from temples is made available on PS for interested subscribers. These programmes promote and encourage creativity and support local events. The content being produced for these PS also boosts employment and provides a stage for upcoming talent. Such content is not readily available on other platforms/channels, and therefore, it should not be inhibited to one PS of one single DTH Operator.



3. There is a huge investment involved in creation and acquisition of content. As a content distributor, we always strive for recouping the cost procured in acquisition and creation of the content. In such a scenario, making programmes of the PS exclusively available on a single DTH operators network would be counterproductive as it would severely limit the number of avenues/sources for recouping the cost involved in content acquisition and creation. This will not only hamper the quality and entire ecosystem of content creation and acquisition but also lead to a situation of financial distress for content distributors like us.
4. Distribution of content across sectors like Telecom, Satellite, OTT, Radio and Theatres are not restricted to a single operator's/ distributor's network and the same content is available across all operator's networks simultaneously for viewing by consumers/subscribers. This provides a choice and places power in the hands of the consumers and in turn promotes a healthy competition in the market. Therefore, we are of the opinion that the same should be applicable for DTH operators as well. This also helps content providers to recoup their costs. In light of such unrestricted distribution practices for all other sectors, exclusivity restrictions on DTH operators' PS will affect the flow of content from content providers like us, resulting in crippling our business and revenue.
5. In a scenario, where the broadcasting channels exhibit content with numerous advertisements, majority of the PS provide advertisement free content for their subscribers, enriching their TV viewing experience and the same are made available only on a consumers demand basis. As a result, thereof, a considerable portion of DPO's PS revenue is generated only from subscription, unlike broadcasters who majorly generate their revenue through advertisements. Hence, the budget available with the DPO's to procure content for PS is very limited and making programmes of the PS exclusively available on a single DTH operators network would drastically affect our source of revenue. This in turn will affect the employment in the content production ecosystem which will be detrimental to daily wage earners like spot boys, make-up artists, etc.
6. As already mentioned above, in case of non-availability of ad free unique and niche programmes across all DTH Operators PS, the subscribers of that particular DTH operator will prefer migrating to Digital platforms for an ad free experience. This will result in a significant drop in the premium subscriber base of the DTH operator affecting the business at large.
7. Making PS exclusive to one DTH operator will be an anti- competitive practice as it will create a dominant position for that particular DTH operator in the market space distorting the level playing field for all other market players which is detrimental for the economic growth of the sector.



8. We as content owners/distributors provide content on PS that cater to the specific demands of the subscribers in genres like devotion, fitness, lifestyle, comedy and others, which otherwise are available on a minimal basis on mainstream channels. Subscribers subscribe to PS only as per their will to access such specific genres of content. Mandating exclusivity for PS will either deprive the subscribers of other DTH operators (who do not come in the preview of exclusivity) from accessing the content or it may so happen that subscriber switches to another DTH operator altogether where such exclusive PS are available. In either of the above scenarios, it will not only result in increasing cost of subscriber for switching from one DTH operator to another but also affect the revenue of the DTH operator on whose Platform PS services are not available.
9. Additionally, platform services uptake less than 5% of the Platform base of the DTH operators and hence we earnestly request not to impose any guidelines for PS for DTH operators and not to treat these PS as services on par with broadcasting channels. A distinction between the two is critical for the growth of this specialized subsector.
10. Section 14 of The Copyright Act, 1957 entitles the copyright owner to seek maximum commercialisation of their content by "*communicating the same to the public*". A restriction, like exclusivity of programmes on the PS of a single DTH operator limits the scope of exercise of rights of a Copyright owner and this negates the spirit of the Copyright law.
11. We would like to reproduce the relevant excerpt from TRAI's previous consultation paper titled "Regulatory Framework for Platform Services "dated 23rd June, 2014 where the Authority has acknowledged the following:

"DPOs use PS to offer innovative services and product differentiation. It acts as unique selling proposition (USP) for DPOs and also helps them in meeting the specific needs of their subscribers."

This reinstates our opinion produced in the previous points. We appreciate this progressive view taken by TRAI and would urge TRAI to uphold the same.

2. In case answer to Question 1 is no, how it can be ensured that programmes of the PS are exclusively available only one single DTH operators' network? What conditions are to be imposed in registration/license/guidelines?
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Our comments to the above question has been sufficiently addressed in our reply to the previous question (no.1).



3. Is there a need to revisit/review the earlier recommendations of the Authority dated 11th November, 2014, relating to keeping recording of all PS channel programs for a period of 90 days and maintaining a written log/ register of such program for a period of 1 year by the DPO from the date of broadcast and the role of Authorised Officer and the State/ District Monitoring Committee and MIB as monitoring authorities.
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This does not merit our response.

4. What should be the Registration fee/Annual fee for PS per channel? And how it is to be estimated?
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This does not merit our response.

5. How many PS channels are to be allowed to DTH Operators? and Why?
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We do not agree with the view that the number of PS channels need to be limited by a DPO on its Platform. When a DTH Operator launches any Platform Service, it takes in to account various factors such as target audience, demand and quality of content, requirements of the subscribers and its sustainability therefore there is no rationale for fixing any limit on the number of Platform Services. Such a decision is commercial in nature which should be left to the best economic interests of the DPO and the Content Distributors.

In order to second our above opinion, we hereby list down in brief our reasons thereof:

- PS services are indicators and evidence of evolving technology and increased competition and should be incentivized;
- Content provided on such PS encourage and provide immense scope of employment opportunities for small scale performers, artists and Producers thereby helping them to earn their livelihood;
- Fosters significant economic growth and commercial avenues;
- PS services showcasing regional content with lesser uptake will not be able to thrive resulting in deprivation of consumers from accessing good quality regional content;
- Since, PS cater to consumer specific content, with limitation on the number of PS, the consumer's entertainment is at stake. PS also target at audience specific content taking in to account various age groups and limiting the number of PS channels will significantly compromise with quality and reach of the content;



- PS provides a much required platform and opportunity for exhibition/display of talent and content usually not preferred by mainstream platforms/ broadcasters and there is a clear social and economic merit in the provision of such services;
- Presence of unique services like Interactive services would be arbitrarily limited.

6. Whether PS channels should be placed separately on EPG to distinguish them from regular TV channels? If yes, how these channels are to be placed?

No, we are of the opinion that PS channels should form a part of the list of regular TV channels for the convenience of consumers to easily shuffle, choose and select the same from the various genres available on the DTH operator's platform.

Further, a significant percentage of the television viewers in India is rural based who find it difficult to adapt to the rapid technological advancements and hence placing PS channels separately on the EPG may result in complications and confusions for such viewers to find, choose, select and view desirable content.

Additionally, under recently implemented tariff orders, the Authority has placed consumer ease, choices and interest as the focal point and the same should be taken in to consideration while deciding the inclusion of placement of PS channels along with regular TV channels.

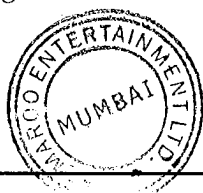
7. Should there be any provision for displaying name and sequence number of PS channels in a particular font size under the heading 'PS' or 'Value Added Services' on TV screen so as to distinguish them from the regular TV channels? If yes, please provide justification

This does not merit our response.

8. Should PS channels be also categorised in specific genre such as 'Devotional' or 'General Entertainment' or 'Infotainment' or 'Kids' or 'Movies' or 'Music' or 'News and Current Affairs' or 'Sports' or 'Miscellaneous'? Please provide proper justification for your answer?

Yes, such categorisation of PS along with regular TV Channels as mentioned in the previous answer will enable ease of access for the consumers to select and watch their desirable content.

Such categorisation of PS channels will also lead to systematic method of display of the content subsequently allowing the consumer to make its choice.



For instance, consumers who wants to watch content under “movie genre”, should be able to view an entire list of all available movies on DTH Platform (movies of PS channels and of the regular TV Channels) under one sequence to make the consumer viewing experience genre specific and content easily accessible.

9. Stakeholders may also provide their comments on any other issue relevant to the present consultation.
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Our concerns have been adequately dealt in our comments to previous questions and we do not wish to delve in further.

