Comments By

Den Networks Limited

on the Consultation Paper on - "Interconnection Framework for Broadcasting TV Services distributed through Addressable Aystems"

1. Preamble

At the outset, we at **DEN Networks Limited** appreciate the efforts of Telecom Regulatory Authority of India (TRAI/ the Authority/ Regulator) for having come up with up a Consultation Paper on **"Interconnection Framework for Broadcasting TV Services distributed through Addressable Systems"**. In this regard, we would like to submit that while there is no doubt that the said exercise needs to be carried out at some stage, however the outcome with respect to the earlier Consultation Paper floated on **"Tariff Issues related to TV Services"** would be extremely critical before attempting to address the questions posed herein in the present Consultation Paper.

The Authority would appreciate that the said Consultation Paper included various issues being posed with respect to the business models both at the Wholesale Level and the Retail level along with Integrated Models. Broadly, the models which were proposed in their response by various stakeholders included:

a) Distribution Network Model
b) Regulated RIO Model
c) Cost Based Model and many others.

It is evident from the above that unless there is clarity with respect to the model which is going to be adopted at the Wholesale Level which the Authority may consider in its wisdom, the present exercise of fixing up the Interconnection Framework in our respectful submission would be pre-mature. We therefore, respectfully state that the present exercise should be kept in abeyance unless and until a decision is being taken with respect to the business models to be adopted on **"Tariff Issues related to TV Services"**.

While we say we so would also like to submit and reiterate the submissions made in our response and the counter comments to the said Consultation Paper and request the Authority to formulate an Interconnection framework which falls within the four corners of the Distribution Network Model proposed by us.

2. Response

The submission/ response to this will be primarily on the assumption that the Authority would adopt and accept our proposal to adopt Distribution Network Model along with a compulsory Pre-paid Model; accept our submissions with respect to continuation of forbearance towards Carriage

Fee; and also our submission with respect to sharing of Advertisement Fee with Multi System Operators by the Broadcasters. In the event of any submission or proposal being made by us which is found not to be in consonance or in conformity to the aforesaid proposals, the same may be construed as being an alternative and without prejudice to our prime submission in the comments and counter comments made in the earlier Consultation Paper on **"Tariff Issues related to TV Services"** and also in the light of any pre mature decision making.

We also reserve our right and humbly request the Authority to allow us to make further detailed submissions once it formulates a clear policy and direction with respect to the business model which it is likely to adopt with respect to the Interconnection Framework which can be made applicable under the proposed/ likely to be proposed Wholesale/ Retail Level model.

It also to be noted that several issues which have been raised in the present Consultation Paper is also likely to overlap with the findings and the ratio laid down in the order which has been passed by Hon'ble Telecom Disputes Settlement & Appellate Tribunal (TDSAT) in the matter of M/s Noida Software Technology Park Ltd dated on 7th Dec, 2015. The said order has already laid down the fundamental principles at which Reference Interconnect Offer (RIOs) should be offered along with various other directions.

The relevant extract from our earlier response submitted on **"Tariff Issues related to TV Services"** is extracted as under for your ready reference:

***"TDSAT Order dated 7th Dec 2015 in the matter of NSTPL Vs Media Pro /Taj & others**:*

The current prevailing scenario is also well captured and noted in a recent order/ judgement which has been passed by Hon'ble Telecom Disputes Settlement & Appellate Tribunal (TDSAT) in the matter of M/s Noida Software Technology Park Ltd dated on 7th Dec, 2015. Apparently the said judgement has also attained finality (as a result of dismissal of appeal filed by the Broadcasters). The said order envisages the fundamental principles, at which Reference Interconnect Offer(s) (RIOs) should be offered by the Broadcasters to Distribution Platform Operators (DPOs) including the MSOs and to the world at large considering the ground realties in mind.

(a) It is pertinent to mention that in the operative directions of said order, the Hon'ble TDSAT has directed the Broadcasters to issue fresh RIOs in compliance with The Telecommunication (Broadcasting and Cable Services) Interconnect Regulations, 2004 as issued by the Authority (hereinafter referred to as the Interconnect Regulations) and has further

left open to the MSOs to negotiate/ renegotiate on the basis of these RIOs. The same has to be effective post expiry of 30 days from 1st April, 2016 (thus, 1st May, 2016). Additionally, the Hon'ble TDSAT in the said order has laid down vital parameters and has interpreted the Interconnect Regulations in unbiased manner thereby, establishing the following principles which are summarized in the subsequent paras.

(b) ***RIOs:*** *The Hon'ble TDSAT has rejected the argument of Broadcasters that mutual negotiated agreements and RIOs based agreements are two parallel regimes. In other words, the mutual negotiated agreements have also to be within the regulatory framework as prescribed under the Interconnect Regulations. It has also been observed that no Broadcaster is making RIOs as per the current regulatory regime as there has been a vast diversion in the rates of negotiated agreements and the RIOs rates. Accordingly, the RIOs have been found not in conformity with the present regulations on account of the following factors recognized by the Hon'ble TDSAT:*

The Current RIOs offered by every Broadcaster to the MSOs have three main limitations:

a. *Give only a list of individual channels with the a-la-carte rates.*
b. *Do not give any bouquets of channels or the prices thereof.*
c. *Even the a-la-carte rates of channels are fixed with no regard to the market realities as reflected in the negotiated deals but at the highest permissible rate under the relevant Tariff Order framed by Authority.*

Further, it has been specifically observed by the Hon'ble TDSAT that:

d. *MSOs are forced to buy channels in bouquets and not on a-la-carte on account of unsustainable and higher rates of RIOs.*
e. *By not giving bouquet rates of RIOs in all negotiated deals, the Broadcasters are able to bypass the mandate of the Interconnect Regulations, per se Sub Clause 12 of Clause 13.2(A) of the Interconnect Regulations, whereby the ratio between a-la-carte of channels and bouquet has been fixed.*
f. *The unfair advantage of bargaining power which a Broadcaster enjoys has also been recognized as the a-la-carte rates are divorced/ deviated from the actual market rates of channels.*
g. *The RIOs in the current form also defeat the objectives of consumers' ability to exercise the choice of few channels as against being burdened with a very large number of channels in the form of bouquets.*

(c) ***Transparency & Disclosures:*** *It is also to be noted that in the said order, it has been observed that if a Broadcaster has given lower rates*

having regard to its larger viewership that might lead to large advertisement revenue, there is no reason why another MSOs with a similar reach to viewers may not be given the same commercial terms. In the same way if certain rates are given to a particular MSO on any regional, cultural, linguistic or on the basis of any other special consideration, there is no reason why another MSO operating in the same regional, cultural, linguistic zone and offering to deliver similar returns to the Broadcaster may not be given the same special rates. Accordingly, such things should also be subjected to disclosure to ensure that a similarly placed MSO is also in a position to avail the same rates.

(d) The Interconnect Regulations have been interpreted to the effect that commercial terms of interconnect agreements should not be held to be exempted from disclosure.

(i) Therefore, it has been upheld that RIOs of Broadcasters must reflect not only channel rates but also different formations and bouquets in which Broadcasters wish to offer along rates of each of the formation or bouquet.

(ii) The a-la-carte rate of channels should bear the ratio as being mandated.

(iii) RIOs must also clearly spell out the bulk discount/ special schemes based on regional/ cultural/ linguistic factors and to be made available on non-discriminatory basis to all MSOs across the market. In short, it must enumerate all formats along with the respective prices. Conversely, the Broadcasters should not enter into any negotiated deal with any MSOs unless the template of the arrangement along with the price and ratio prescribed the relevant regulations are not followed along with respect to various discount/ volume related price schemes.

(iv) It has also been suggested that proper RIOs should form the starting point and the same should lead to a situation where there is hardly any need for disclosure."

It is also pertinent to note that pursuant to the said directions, the Broadcasters have also come up by way of fresh RIOs which are yet to be tested as to their being in full conformity with the principals laid down by the said order of Hon'ble TDSAT. Indeed some proceedings with respect to the same have already commenced and some are understood to be in the process of being filed. We shall be making detailed response with respect to the said RIOs and reserve our right with respect thereto.

Nevertheless, the Authority has also come up a Direction to the Broadcasters of Pay Channels to ensure conformity to the twin conditions vide its Direction dated 9th May, 2016 whereby it has directed the said Broadcasters to strictly comply with the provisions of Clause 3C of Tariff Order, 2004 and Clause 4 of the Tariff Order, 2010 at the time of providing signals of TV channels including in term of Cost Per Subscriber's agreement as directed therein. We hope that this would further strengthen the implementation of regulations and would help to achieve the desired objectives.

We are highlighting the aforesaid concern since there is strong likelihood of overlap between certain issues which have already been adjudicated and have attained finality and in the event to adopt similar RIO based regulatory regime as against not adopting the Distribution Network Model which has been proposed by us. The scope of regulatory intervention by the Authority with respect to the said settled principles would be minuscule as what we find from the issues posed in Consultation Paper with respect to the regime which the basic principle have already attained finality. The Authority must therefore adopt a cautious and consistent approach.

The Authority should also be cautious of ensuring that the judgement which has in affect interpreted the regulations of the Authority in the past are not being reopened by way of this Consultation Paper followed by Regulations as in such a situation the same is also prone to a successful challenge. It would be therefore appropriate that the present exercise is treated as a preliminary and evolving exercise and the stakeholders should be given another opportunity to present their views once the Authority comes with up final business model as was being proposed in the earlier Consultation Paper.

With respect to the issues pertaining to common Interconnection Framework for Addressable Systems, we would like to invite the attention to the comments made earlier that it is the MSOs which have contributed towards digitization by way of huge investment on a standalone and exclusive basis to convert the analog market into digital market. These substantial investments have not fetched any returns and on the contrary have given negative returns threatening the very survival of MSOs.

MSOs have been skewed between the Broadcasters and Local Cable Operators (LCOs) and thus should not be treated similarly to that of Direct-to-home and Internet Protocol Television (DTH/ IPTV) operators. The MSOs deserve to be treated separately from the DTH/ IPTV operators. Moreover, DTH operators have not faced any such challenges which have been faced

by MSOs and on the contrary by virtue of the technology are blessed with addressability since inception.

The DTH operators did not carry the burden of converting analog market into digital market and are the biggest beneficiary of digitization as also having the head start right on digitization from 2003. Clearly, equality can only be among equals and thus the proposal to have common Interconnection Framework for all types of Addressable Systems is not called for.

It is our respectful submission that level playing field can only be ensured if unequally placed operators are being treated differently. It is a trite law that equality can on be among equals and that principle of equality is not the uniformity of treatment of all in all aspects. It also means that all persons in similar circumstance shall be treated alike both in the privileges conferred and liabilities imposed.

With respect to the business model, the Authority has rightly identified the Distribution Network Model as "highly workable" and "extremely consumer friendly" in its previous Consultation Paper. In our view, the Authority while adopting the Interconnection Framework and in the event it decides to adopt a distribution model, the interconnection framework should be adopted in such a way that it does not contradict with the proposed Distribution Network Model whose salient features are given below:

i. Separation of charges for distribution networks and subscription of Pay TV channels.
ii. Independent source of revenue could be in the form of Basic Subscription from subscribers depending upon the quantum of bandwidth used.
iii. Broadcasters are free to price channels directly to consumers under the regulatory caps fixed by the Authority.
iv. Revenue share between MSO and LCO (which should be in the form of Additional Subscription of a minimum of Rs. 150/- for the Basic Services in a ratio of 70:30 (where 70 is for MSOs and 30 is for LCOs).
v. The Revenue Share so fixed between MSO and LCO should be made mandatory.
vi. The revenue in the form of additional subscription from the pay channels should be distributed in ratio of 40:30:30 (Broadcaster: MSO: LCO).
vii. The Broadcaster should necessarily provide all its Pay channels on a la carte basis. There should be no option of bundling or packaging allowed to the Broadcaster either for Pay channels or a combination of Pay and Free to Air.

viii. Payment from consumer to MSO should be on pre-paid basis only. MSO would disburse the share of the Broadcaster and LCO in the ratio mentioned above as well as the relevant taxes to the concerned departments.

It may also be noted that above submissions are preliminary and would need a further detailed exercise once the Authority finalizes the business model which it would adopt under the previous Consultation Paper.

3. Issues for Consultation

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

Response: We would like to submit that primarily service providers can broadly be divided on the basis of addressable and non-addressable systems, the same does not capture the complexity and entirety of the different models involved. As far as MSOs are concerned, they are quite distinct from DTH and IPTV Operators. Though, all of the above mentioned DPOs are using addressable systems, it is only the MSOs who have a statutorily mandated 3rd party intermediary i.e. LCOs connecting it to the end consumers. Under the existing regulatory regime, a MSO is mandated to provide its signals to all signals seekers i.e. LCOs as well as direct consumers. Once such a statutory mandate exists, it has to be ensured that other addressable systems like DTH and IPTV, which do not have an intermediary and deal directly with the customers do not have any unfair advantage vis-à-vis MSOs and HITS Operators. Steps have to be taken so that, it does not become commercially/ financially unviable and uncompetitive for MSOs and HITS Operators to compete with DTH and IPTV. As the position stands today, DTH and IPTV Operators are able to retain a much larger percentage of their net revenue collection, as they do not have to share it with any 3rd party. As far as content cost is concerned, the same is similar across platforms, thus leading to a situation wherein the statutory framework ends up being inequitable to the MSOs qua other DPOs. It is therefore requested, that the Authority take steps to correct this anomaly. The Authority may consider either reducing the percentage share of the LCOs from the Subscription Collection or formulate some other effective collection mechanism to ensure a level playing field.

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

Response: We would like to submit that a common Interconnection Regulatory framework should be mandated for all types of addressable systems. As far as Interconnection Issues Vis-à-vis Broadcasters are concerned all addressable systems i.e. MSOs, HITS, DTH and IPTV are similarly placed. However, as mentioned above it has to be borne in mind that for MSOs there is a statutorily mandated 3rd party i.e. LCO connecting it to the end consumers and hence, any common regulatory framework would have to keep take this distinction into account and make an appropriate framework regarding the same.

Issue 2:- TRANSPARENCY, NON-DISCRIMINATION AND NON-EXCLUSIVITY

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.*

Response: We believe that that the present consultation exercise being undertaken by the Authority may be premature to some extent. The Authority has already undertaken a detailed consultation exercise with regard to various tariff related issues, which had also dealt with various models for re-transmission of signals. We would like to take this opportunity to once again reiterate, that the Distribution Network Model is most suitable for all players in the Industry. Be that as it may, any change in the Distribution Model would result in corresponding changes to the Interconnection Regime.

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?*

Response: As mentioned above, Subscription Agreements should only be executed on the basis of the RIO and mutually agreed terms should be permitted within the framework of RIO. It is not the elimination in entirety of mutuality of terms that has been contemplated.

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.*

Response: As per the recent judgment of Hon'ble TDSAT, once Subscription Agreements based solely on mutually agreed terms have been specifically

prohibited i.e. 01.05.2016 onwards in view of the judgment of the Hon'ble TDSAT dated 07.12.2015 in Petition No. 295(C) of 2014 – Noida Software Technology Park Ltd. vs. MediaPro Enterprise India Pvt. Ltd. & Ors., all mutual Subscription Agreements would have to be entered into on the basis of the RIO, which would automatically result in non-discrimination on the ground. If there is no other mechanism other than RIO for execution of Subscription Agreements, parity and non-discrimination would be prevalent on the ground.

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

Response: In the event some party violates the Regulations and executes such an Agreement, the information is available in the public domain and can be brought to the notice of the Authority. Further, the Authority has already made regulations for the Broadcasters and the DPOs to submit their Agreements to it and hence the Authority being the Regulator would also take action in case it is felt that there is discrimination.

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?*

Response: Yes, the principles of non-exclusivity, must-provide and must-carry are necessary for orderly growth even under the existing Regulatory Regime, the concepts of, which has led to a robust and highly competitive market at the DPO level. It is submitted that the existing Regulatory Framework adequately covers these aspects and there is no need at present for modifying the same. In fact, as far as consumers are concerned, each consumer has a choice of minimum 7-8 DPOs and the inter-se competition between the DPOs ensures competitive pricing. It is due to the intense competition at the DPO level, that retail tariffs in India are amongst the lowest in the world.

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.*

Response: Yes. The RIO Agreement ideally should be comprehensive and should contain all the terms and conditions.

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

Response: 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?*

Response: We are in favour of publication of SIA, however subject to the fact that the same is published by the Authority and not the provider. The Authority has already published the MIA/ SIA for Interconnection between MSO and LCOs and has provided for a revenue share with regard to the same. A similar SIA can be made by the Authority qua DPO and service providers, which clearly demarcates the revenue payable. If the Broadcaster is permitted to publish the SIA, it would once again lead to the present situation where the RIO is used as an arm-twisting technique and a tool to harass some DPOs and to favour others. Only the nomenclature would change from RIO to SIA. In this light it would also be important to mention that in case the Distribution Network Model is adopted by the TRAI wherein the prices of TV channels would be notified to be payable by the consumer directly, then a SIA would take care of the entire distribution chain and hence there would be no requirement of separate SIA for the various tiers in the distribution chain.

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?*

Response: We are of the view that the Authority should prescribe a format for all applications. The minimum documents required along with the application are as follows:

a. License/ Permission
b. Proof of Identification

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

Response: 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?*

Response: Yes. Under the existing Regulatory Framework for MSOs under proviso to Clause 3(10), it is not obligatory for an MSO to carry a channel for the next one year, if the subscription for the particular channel, in the last preceding 6 months is less than or equal to 5% of the subscriber base of that MSO taken as an average of subscriber base of the preceding six months. The percentage of 5% can be transposed from the extant provision, however the DPO should be permitted to discontinue the channel on the average subscriber base of the past 3 months instead of 6 months, and the period of refusal should be increased from 1 year to 3 years.

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*

Response: It is the submitted that all DPOs including MSOs have bandwidth constraints. It is not possible for the MSOs without spending on infrastructure, equipment, network, bandwidth etc. to supply an unlimited amount of channels. Even, the capacity of MSOs to carry channels on its Network is limited by various factors and hence, any reasonable restriction on 'must carry' should be equally applicable. Under the Telecommunication (Broadcasting and Cable Services) Interconnection (Digital Addressable Cable Television Systems) Regulations, 2012 it had been mandated that each MSO has a capacity of minimum 500 channels. The said condition was struck down by the Hon'ble TDSAT vide its judgment dated 19.10.2012 in Appeal 3(C) of 2012- United Cable Operators Welfare Association vs TRAI being discriminatory. Furthermore, MSOs also incur cost for the bandwidth they utilize, and hence, the same is not unlimited and further bandwidth has cost implications for MSOs which is completely independent of the collections from the LCOs or the consumers and/or content being retransmitted through such bandwidth. The MSOs have to pay per Megabyte i.e. per channel for the Dark-Fiber/ Leased Lines they hire from various service providers like Railtel, Airtel etc. It is submitted that reasonable restrictions on 'must carry' be made equally applicable on all 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?

Response: It is pertinent to note that the current question implies clubbing together of subscription, carriage, placement, marketing and all its cognate expressions. As far as Carriage and Placement are concerned they are separate, distinct and cannot be clubbed together. With regard to Subscription Agreements it is the DPO which is the signal seeker and all discounts offered on the Subscription Fee as mentioned above through any nomenclature including marketing etc. should be clearly spelt out in the RIO Agreement, being in the nature of a discount on the Subscription Fee. However, as far as Carriage Fee and/ or Placement Fee are concerned the same are a service being provided by the DPO for which the Broadcaster is a service seeker and the DPO a provider, thus reversing the relationship between the parties. Carriage Fee and/ or Placement Fee are not a means of discounting/ reducing the Subscription Fee payable. They are amounts being paid to a service provider for a service being rendered by it. In fact, in a multitude of cases before the Hon'ble TDSAT it has been repeatedly argued by the Broadcasters that Carriage Fee and/ or Placement Fee do not have a direct co-relation with Subscription Fee and the same cannot be offset. The Hon'ble Tribunal has on more than once occasion accepted this contention. In fact, under the existing Regulatory Framework a signal seeker (DPO) can be denied signals on the ground that carriage fee is being demanded while seeking interconnection. In fact, making subscription, carriage, placement, part of the Interconnection would lead to a highly anomalous situation inasmuch as; 1) Subscription Agreements are drafted by the Broadcaster; 2) Carriage and/ or Placement Agreements are drafted by the DPO; 3) At times the Authorized Agent of the Broadcaster executes the Subscription Agreement whereas the Broadcaster executes the Carriage and/or Placement Agreement; 4) The Broadcaster pays Carriage and/or Placement Fee for getting higher viewership or eyeballs, resulting in higher advertisement revenues usually for channels which are not popular and for which interconnection is not being sought by the DPO; 5) Carriage and/or Placement Agreements may or may not be concurrent with the Subscription Agreements; 6) Demand of Carriage Fee as a matter of right from the Broadcaster by the DPO results in denial of signals; 7) Carriage and/ or Placement Fee is dependent upon the demographic/ area of operation etc. of the DPO and the target market for the channel of the Broadcaster. For eg: A Tamil Channel would not pay Carriage and/ or Placement Fee to DPOs in non-Tamil markets (like Delhi) and will instead pay DPOs operating in Tamil Nadu; 8) The freedom of each DPO to charge Carriage and/ or Placement Fee will be completely taken away and would infact be on the whims of the Broadcaster at the rate fixed by the Broadcaster. In fact, the same would in

the context of the Broadcaster(s) amount to pricing all channels irrespective of genre, content, language or Broadcaster at the exact same rate.

Issue 3: - EXAMINATION OF RIO

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?*

Response: We would like to submit that the RIOs, which have been published by the Broadcasters as on date, do not comply with either a) the statutory mandate and b) the judgment of the Hon'ble TDSAT dated 07.12.2015 in Petition No. 295(C) of 2014 – Noida Software Technology Park Ltd. vs. MediaPro Enterprise India Pvt. Ltd. & Ors. It is submitted that even the bouquet rates, which are mentioned in the RIOs are exorbitant and completely de hors the market conditions. It is submitted that since the number of pay channel Broadcasters is not substantial, it should be mandated that all draft RIOs be first submitted to the Regulator, who would have sufficient time to go through them and the same can only be published after the approval of the Regulator. If the above suggestion is accepted, the Regulator would have sufficient time to monitor and also take corrective action against the non-compliant RIOs and it would ensure that non-compliant RIOs are not put out in the public domain. Furthermore, the Regulator is in possession of all Interconnect Agreements and in the event it is found that the same are non-compliant, the Regulator can take appropriate action.

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?*

Response: As mentioned in Response to 3.1 above, it is submitted that all draft RIOs of pay Broadcasters should be first submitted to the Regulator and only after the approval of the Regulator, should the same be published. As far as Interconnect Agreements between MSOs and LCOs are concerned, the Regulator has already issued a Regulation for execution of SIA/ MIA, which adequately protects the rights of all stakeholders.

Even after the approval of RIOs by TRAI, the DPOs should be given an opportunity to challenge the same, in the event they find that some clauses are contrary to the Regulatory Framework.

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

Response: We would like to submit that the legality or illegality of any provision of the RIO is only considered when a party is considering execution of the RIO. Furthermore, just by virtue of the fact that the RIO is in public domain, does not give rise to a cause of action for challenging the same. Fixing of a time period for raising objections from date of publication of RIOs, would severely prejudice the rights of non-entrants to the filed, as any such prescribed time period may expire even prior to their entering into the business. Furthermore, anything which is contrary to or in conflict with the statutory mandate cannot only by virtue of efflux of time, become compliant thereof. It is therefore proposed that a period of at least 2 months from the date a party desires of execution of a RIO Agreement, should be considered as the time frame for challenging the RIO. The extension of time to challenge should also be permitted in the event of a justified cause establishing and justifying the reason and rationale for delay in challenge.

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

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.*

Response: It is submitted that the time period of 60 days prescribed should be reduced to 30 days. The time period of 60 days, only results in delaying of getting signals/ access to system, thereby causing losses to the service seeker. Furthermore, under the existing Regulatory Framework, when all Interconnection Agreements are to be signed only on the basis of RIO, having a time period of 60 days, does not serve any purpose. The proposed time period of 30 days can be further sub-divided into 2 i.e. 15 days each, the first for raising objections and the second as a time period for curing the defects, if any. The Technical Audit, if any, ought to also be completed within 30 days independent of the objections.

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?*

Response: It is submitted that there is no need to provide for specific measures, so that time limits are honored. In the event, any service provider does not act in accordance with the statutorily fixed time period, the Regulator and Hon'ble TDSAT can always be approached to take remedial action. Furthermore, the loss/ damage caused to each party due to delay in providing signals/ access to platform will have to be determined on a case to case basis, after due adjudication of all facts and circumstances.

4.3 *Should the SIA be mandated as fall back option?*

Response: Yes. It is submitted that the SIA for Interconnection Agreements should be published by the Regulator and be not left to the individual Broadcasters. The Regulator has already published the SIA for Interconnection Agreements between MSOs and LCOs, and a similar SIA can also be framed for Interconnection between Broadcasters and DPOs.

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.*

Response: No. It has been repeatedly seen under the existing framework, that the Broadcasters unreasonably delay the start of Audit, its Auditors seek irrelevant and immaterial documents, demand compliance of conditions which are not even part of Schedule – I, in order to unreasonably and illegally deny supply of signals. It is submitted that the Regulator can publish a list of Authorized Auditors and any DPO, who is desirous of signals can approach one of the Authorized Auditors can get its CAS and SMS independently verified. The Authorized Auditor on successful completion of Audit, will provide a Certificate to the DPO, who can thereafter share it with the Broadcaster. The process of Audit can be completed within the prescribed period of 30 days (as mentioned in Response to 4.1 above), so that the signals can provided within the prescribed period.

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

Response: Yes. It is submitted that the Regulator and the Hon'ble TDSAT are empowered to take action against the errant parties in individual cases.

Issue 5: - REASONS FOR DENIAL OF SIGNALS / ACCESS TO THE PLATFORM

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

Response: The parameters for denial of signals by a Broadcaster to a DPO can be as under:

1. Seeker does not possess a valid license/ permission to operate
2. Seeker is in default of payment
3. Seeker is a person of unsound mind
4. Seeker is an undischarged insolvent
5. Seeker has been convicted of an offence involving moral turpitude

The parameters for denial of signals by a DPO to a Broadcaster can be as under:

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2. Seeker is in default of payment
3. Seeker is a person of unsound mind
4. Seeker is an undischarged insolvent
5. Seeker has been convicted of an offence involving moral turpitude
6. The channel is not in regional language of the region in which, the DPO is operating or in Hindi or in English Language
7. Seeker is unwilling to pay the uniform carriage fee published by the DPO
8. DPO has bandwidth constraints and is therefore unable to carry the channel on its platform.

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.*

Response: Yes.

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?

Response: Yes

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

Response: Yes

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

Response: It is submitted that the Authority can develop, operate and maintain the IMS. It is submitted that the Authority being well-versed with the Industry, as well as Technology and being a neutral third-party, free from influence of either the Broadcasters, DPOs and LCOs is the best equipped to run the IMS.

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

Response: It is stated that initially the IMS can be used for the deposition and retrieval of Interconnection Agreements. Depending on its acceptance, feedback and ease of use, over time further functions can be performed by the IMS. At an initial stage to make the IMS mandatory and to make various functions mandatory would result in unnecessary cost towards infrastructure and manpower for all the stakeholders. Therefore, as a first time the IMS can be used for deposition and retrieval of Interconnection Agreements. The Authority in any case, is to be provided with all the duly executed Interconnection Agreements. The retrieval through IMS, would also help in reducing disputes with regard to copies of the Agreements not being provided to the other party.

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

Response: The Authority can determine and charge a reasonable fee per Agreement to recover the costs of the IMS.

Issue 7: - TERRITORY OF INTERCONNECTION AGREEMENT

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

Response: 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?*

Response: Yes. Once all Interconnection Agreements are being entered into on RIO basis, there is no need from the Broadcasters end to impose area

wise restrictions. The details of all subscribers would be available in the CAS/ SMS of the MSOs. Furthermore, in light of the fact that the MIB has already issued a license to the MSO to supply signals only in areas mentioned in the said license then the Broadcasters cannot be allowed to put restrictions on the same and the MSO should be free to operate within only the area restrictions of the license issued by the MIB, however, in cases where the MSO requires fresh decoders, due to setting up a new head-end in a particular area, does the MSO need to provide intimation to the Broadcaster. In such a case, the Broadcaster should issue the decoders within a period of 7 days, which should be prescribed in the Regulations.

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?*

Response: N.A.

Issue 8: - PERIOD OF AGREEMENTS

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

Response: It is submitted that that since under the existing Regulatory framework all Interconnection Agreements between Broadcasters and DPOs have to be on the basis of the RIO, the duration of the Agreement should be the period of the license period of the parties. In the event, the Broadcaster, decides to modify the terms of its RIO as per the existing framework under Clause 5(10), it has to give Notice of 30 days to the MSOs. Therefore, no useful purpose is served by executing Interconnection Agreements for a period of 1 year only. Furthermore, in the case of DTH, the Interconnection Agreements are usually for a longer duration. The frequent execution of Agreements, only increases the scope and frequency of disputes between the parties.

Issue 9: - CONVERSION FROM FTA TO PAY CHANNELS

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?*

Response: Yes

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

Response: Yes. In the event a FTA Channel is converted into a pay channel prior notice to DPOs, as also to consumers by the Broadcasters ought to be circulated. Even under the existing Regulatory Framework i.e. Clause 7 of the Telecommunication (Broadcasting and Cable Services) Interconnection (Digital Addressable Cable Television Systems) Regulations, 2012 a channel once declared FTA or pay has to remain such for at least a period of 1 year and before conversion a notice of 1 month has to be provided. It is submitted that the period of 1 month under the existing Regulations for conversion from FTA to Pay Channel is not sufficient. The period in case of conversion from FTA to Pay Channel, the notice period should be 6 months. It is beneficial to consumers if a channel is FTA, as a consumer does not have to pay subscription fee towards the same. Further, it is well established that each consumer only watches a few channels and especially GEC channels, wherein the TV shows continue for a long duration. Therefore, a consumer should be given sufficient advance notice that either he/ she would have to pay for the channel or it can change its viewing habits accordingly. The time period of 1 month does not sufficiently provide for a switch-over period.

Issue 10: - MINIMUM SUBSCRIBERS GUARANTEE

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

Response: Yes.

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

Response: 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?*

Response: It is submitted now that all Interconnections would henceforth be executed on the basis of the RIO published by the Broadcasters,. In the event, any Broadcaster, does enter into/ forces a DPO to enter into such an Agreement it could always be brought to the attention of the Regulator and/or the Hon'ble TDSAT for appropriate action. Furthermore, the Regulator is already in possession of all Interconnection Agreements and can take suo motu action, if required. The existing Regulatory framework

sufficiently protects the interest of all stakeholders in this regard and does not require any changes.

Issue 11: - MINIMUM TECHNICAL SPECIFICATIONS

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

Response: Yes. It is submitted that the existing technical specifications duly take care of the concerns of all stakeholders. Furthermore, Pan-India MSOs have already spent crores towards upgradation of their Networks and to make them compliant with Schedule – I of the 2012 Regulations. As on date, all MSOs have been saddled with huge debts and are suffering losses due to the investments they have made towards digitalization and till now have been unable to even recover their investments. To now change the technical specifications would result in further investment from the end of the already bleeding MSOs, resulting to their eventual closure. Once the technical specifications for DAS implementation have been prescribed and without implementation of DAS being even completed, to change the same would put the MSOs in a highly onerous and difficult position.

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?*

Response: 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?*

Response: No. It is submitted that the same is technically impossible.

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.*

Response: It is submitted with utmost humility that though the proposal of the Regulator appears to be well intentioned, the same may not withstand legal scrutiny. It is submitted that CAS or SMS Vendor are neither the licensor nor licensee, nor are they service providers as contemplated within the TRAI Act or the Regulations. Therefore, it may not be within the scope or the power of the Regulator to blacklist such vendors. Furthermore, the vendors are only providing equipment mostly from foreign third parties, who are outside the purview of the Regulatory Framework. There is no doubt that this being an integral part of network there is an urgent an immediate need to address the need to curb the menace of substandard equipment's.

Issue 12: - TECHNICAL AUDIT OF ADDRESSABLE SYSTEMS

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

Response: N.A.

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?*

Response: Yes. It is submitted that once a system of the same make, model, and version, that have already been audited in some other network and found to be compliant, no useful purpose is served in re-audit of such systems, especially prior to execution of Interconnection Agreement.

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?*

Response: N.A.

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

Response: No.

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

Response: It is submitted that the Regulator should publish/ prescribe a list of Auditors, who can conduct the Audit. Out of the panel, the Broadcaster and the DPO can mutually decide on Auditor for a specific assignment. In the event of a dispute regarding the choice of Auditor between the parties, the Regulator can intervene and select an Auditor. Furthermore, the procedure of Audits by the Broadcaster/ its representatives should be dispensed with and all Audits should only be conducted by the panel published by the Regulator. The process of Audit by Broadcasters is an unnecessarily complicated and cumbersome exercise, which has no end in sight and the demands of the Broadcasters are never ending and much beyond the scope and ambit of the Regulations.

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?*

Response: It is submitted with utmost humility, that though the proposal of the Regulator appears to be well intentioned, the same may not withstand legal scrutiny. It is submitted that CAS or SMS Vendor are neither the licensor nor licensee, nor are they service providers as contemplated within the TRAI Act or the Regulations. Therefore, it may not be within the scope or the power of the Regulator to blacklist such vendors.

Furthermore, as far as action against a DPO for manipulation of Subscription Reports are concerned the existing framework adequately protects the interests of the Broadcasters. In this regard it is submitted that any such act by a DPO, would be in the nature of a contractual breach, the penalty for which is adequately prescribed in the contract itself. Furthermore, all Interconnection Agreements between the Broadcaster and DPO contain provisions regarding incorrect reporting of subscriber numbers and the mechanism for compensation in the event the same occurs, thereby adequately protecting the interests of the Broadcasters. The license granted to a DPO by the Ministry of Information and Broadcasting or the up linking/ downlinking permission granted to a Broadcaster cannot be cancelled for reasons which are not even mentioned in such license. Furthermore, the suspension or cancellation of a license can only be done by the Authority which has granted such license and in terms of the provisions of such license.

Issue 13: - SUBSCRIPTION DETAILS

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.*

Response: Yes. It is submitted that the parameters prescribed in Schedule II the Telecommunication (Broadcasting and Cable Services) Interconnection (Digital Addressable Cable Television Systems) Regulations, 2012 under the heading 'Reports' sufficiently take care of the interest of all stakeholders. The following format can be used for submitting Reports, which can be signed by the authorized representative of the DPO:

1. **Bouquet Report (Channel-wise)**

Sr. No.	Bouquet Name	Channels part of Bouquet	Opening STBs count for Channel	Closing STBs count for Channel	Average STBs count for Channel

2. **Channel(s) A-la-Carte Report (Channels not part of Bouquet)**

Sr. No.	Channel Name (A-la-Carte)	Opening STBs count for Channel	Closing STBs count for Channel	Average STBs count for Channel

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?*

Response: The method of calculation of subscriber numbers should be the "monthly average subscriber level" as described in Schedule II the Telecommunication (Broadcasting and Cable Services) Interconnection (Digital Addressable Cable Television Systems) Regulations, 2012. The subscriber numbers should be captured at midnight. It is submitted that the existing framework adequately protects the interest of all stakeholders and does not require review. It is further submitted that, there may be an apprehension on the part of the Broadcasters that a channel may be activated after the first day of the month and thereafter deactivated before

the last day of the month, resulting in such subscriber number not being reflected in the Report. With regard to the same, it is submitted that during the Audit of the DPO, any such manipulation will be detected and there is no requirement for daily subscriber level reports.

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

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

Response: In response to Issue No. 13.3 and 13.4, it is submitted that there is need to review the Audit Methodology. As mentioned above, the Regulator should publish/ prescribe a list of Auditors, who can conduct the Audit. Out of the panel, the Broadcasters and the DPO can mutually decide on Auditor for a specific assignment. It is submitted that the Auditor can audit the system of the DPO either once or twice a year. However, instead of doing an Audit on the request of a particular Broadcaster, it can Audit the entire system and subscriber reports etc. qua all pay channels at one go for a period of 6 months/ 1 year. The Report regarding each Broadcaster can thereafter be shared with the concerned Broadcaster. In this manner, the current scenario in which there is much wastage of time and resources of the DPO towards Audit can be avoided. Furthermore, as the Audit would be done by the Agency prescribed by the Regulator rather than a representative of a party, the scope for disputes would be drastically reduced.

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

Response: It is submitted that the existing Regulatory mechanism adequately and sufficiently covers the interest of all stakeholders. In the event, a DPO does not provide the subscriber report, within the stipulated time a notice for disconnection of signals can be issued. Furthermore, once the requirement of issuance of public notice's is dispensed with, there would be no cost involved in issuing a notice, therefore, the same could be done by the Broadcaster without any financial implication.

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

Response: It is submitted that the existing Regulatory mechanism adequately and sufficiently covers the interest of all stakeholders. It is submitted that incorrect Reporting of Subscriber figures by a DPO, is a

contractual breach, the penalty for which is adequately prescribed in the contract itself. Furthermore, all Interconnection Agreements between the Broadcaster and DPO contain provisions regarding incorrect reporting of subscriber numbers and the mechanism for compensation in the event the same occurs, thereby adequately protecting the interests of the Broadcasters.

13.7 *Should a neutral third party system be evolved for generating subscription reports? Who should manage such system?*

Response: No. It is submitted that no third party can be involved in generation of subscription reports as the contents of the subscription reports are highly confidential and the disclosure of which could result in severe financial and business losses to the DPO and/ or Broadcaster. It is submitted that there are grave concerns regarding data secrecy, as also compatibility issues with regard to the different systems being utilized by the DPOs making such a system unfeasible and unworkable.

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

Response: It is submitted that in the event the Response to Issue No. 13.3 and 13.4 is accepted by the Regulator, the Audit Fee can be shared equally between all stakeholders, resulting in lower costs. For eg.: If a DPO is transmitting signals of 4 pay broadcasters, the Audit Fee can be divided equally between all i.e. 20% each.

Issue 14: - DISCONNECTION OF SIGNALS OF TV CHANNELS

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?*

14.2 *If yes, what should be the notice period?*

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

Response: It is submitted in Response to Issue No. 14.1, 14.2 and 14.3 that the existing Regulatory framework sufficiently and adequately deals with the interests of all stakeholders and does not require any modification. It is submitted that a common time period for all eventualities would not be practicable nor possible. For e.g. If the up linking/ downlinking permission of a channel is cancelled, or a channel is banned by the Government, a DPO

has no option but to immediately stop re-transmission of such channel. Furthermore, cases of closure of business cannot be equated with breach of contractual obligations.

Issue 15: - PUBLICATION OF ON SCREEN DISPLAY FOR ISSUE OF NOTICE FOR DISCONNECTION OF TV SIGNALS

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?*

Response: Yes. It is submitted that the OSDs, either full or partial, interfere with the TV watching experience of the end-consumer, who has not committed any default. It is submitted that the Regulator has already issued a direction in this regard, however the same should also be incorporated within the Regulations.

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?*

Response: Yes. It is submitted that the Regulatory requirement of Public Notice can be dispensed with, as the same only results is additional costs to the Service Provider and most times, the same is not even read by the consumers, in whose interest the same has been issued. It should be mandated that in addition to issuance of a letter notice as contemplated in Clause 6.1 of the 2012 Regulations, a mandatory scroll has to be run for the duration of the Notice period. It should however, be mandated that the scroll should only be at the bottom of the screen and not interfere with the TV viewing experience of the end-consumer.

15.3 *Whether requirement for publication of notices for disconnection in the newspapers may be dropped?*

Response: Yes.

Issue 16:- PROHIBITION OF DPO AS AGENT OF BROADCASTERS

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?*

Response: Yes. It is submitted that incorporating such a prohibition would be consonance of law laid by the Hon'ble Supreme Court in ***Star India (P) Ltd. v. Sea TV Network Ltd., (2007) 4 SCC 656*** wherein it has been held as under:

> "6.5. In our view the Tribunal, has therefore, correctly drawn a distinction between what is called as "making available of TV channels" and retransmission of TV channels under the above two clauses. Keeping in mind the above distinction it is clear that although a broadcaster is free to appoint its agent under the proviso to clause 3.3 such an agent cannot be a competitor or part of the network, particularly when under the contract between the broadcaster and the designated agent-cum-distributor exclusivity is provided for in the sense that the signals of the broadcaster shall go through the cable network owned and operated by such an agent-cum-distributor which in the present case happens to be Moon Network Pvt. Ltd."

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?*

Response: Yes. It is in the interest of transparency and non-discrimination that that Broadcasters Report such Agreements to the Regulator, who can thereafter examine issues of conflict of interest.

Issue 17: - INTERCONNECTION BETWEEN HITS/IPTV OPERATOR AND LCO

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.*

Response: Yes. It is submitted that Hon'ble TDSAT in its judgment dated 07.12.2015 in Petition No. 295(C) of 2014 – Noida Software Technology Park Ltd. vs. MediaPro Enterprise India Pvt. Ltd. & Ors. has held as under:

> *"Any difference in distribution technology can be accounted for in the technological terms stipulated in the RIO but so far as commercial terms are concerned, it is difficult to see a HITS operator as different from a Pan-India MSO and in our considered*

view a HITS operator, in regard to the commercial terms for an interconnect arrangement has to be taken at par with a pan-India MSO and must, therefore, receive the same treatment."

It is submitted that once it has been held that a HITS Operator is comparable to a Pan-India MSO, thereafter all extant provisions/ regulations applicable to pan-India MSO should also be made applicable to HITS Services. There is no reason or justification for treating HITS services on a different platform, especially in matters of Interconnection.

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

Response: It is submitted that the Response to Issue No. 17.1 be in reply to this issue as well. It is submitted that there is no requirement for changes in the existing MIA and SIA, the same can mutatis mutandis be applied to HITS Services as well.

17.3 *If no, what could be other method to ensure non-discrimination and level playing field for LCOs seeking interconnection with HITS/IPTV operators?*
Response: N.A.

Issue 18:- TIME PERIOD FOR PROVIDING SIGNALS OF TV CHANNELS

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.*

Response: It is submitted that the Response to Issue No. 17.1 and 17.2 be read in response to Issue No. 18.1 and 18.2 as well. It is submitted that the extant provisions relating to Interconnection between MSOs and LCOs should be mutatis mutandis applied to HITS Services as well.

Issue 19: - REVENUE SHARE BETWEEN HITS/IPTV OPERATOR AND LCO

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

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?*

Response: It is submitted that the Response to Issue No. 17.1 and 17.2 be read in response to Issue No. 19.1 and 19.2 as well. It is submitted that the extant provisions relating to fall back i.e. SIA between MSOs and LCOs should be mutatis mutandis applied to HITS Services as well.

Issue 20: - NO-DUES CERTIFICATES

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?*

Response: Yes. It is submitted that the maximum time period for providing a no-dues certificate should be 21 days. The notice period of 21 days, would be in terms of the existing Regulatory framework, wherein prior to disconnection of signals a service provider is to give a Notice Period of 21 days. Furthermore, issuance of no-dues certificate on demand would help in reduction of disputes, wherein LCOs migrate from one MSO/ HITS to another.

Issue 21: - PROVIDING SIGNALS TO NEW MSOs

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?*

Response: Yes

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?*

Response: Yes

Issue 22: - SWAPPING OF SET TOP BOX

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?*

Response: Yes. It is submitted that at present LCOs, without even issuance of statutory notice's and without returning the STBs and clearing the dues of the MSO migrate to another MSO, resulting in huge losses to the past MSO. There is an urgent need to stop such illegal and unlawful practices by the LCOs, which is resulting in wasting of valuable infrastructure and equipment. It is submitted that on one hand due to shortage of STBs, there is a delay in implementation of DAS Phase III and on the other LCOs continue to illegally retain the STBs of the past MSO.

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

Response: Yes

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

Nothing in particular, we reiterate our earlier submissions.

In case of any further queries or any clarification required by the Authority, we humbly request the Authority to contact Mr. Rajkumar Varier, Group General Counsel or Mr. Ashish Yadav, Deputy General Manager – Legal of DEN Networks Limited for the same. We shall be more than happy to assist the Authority.