

10th June, 2016

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Sub.: Comments on Consultation Paper No. 5/2016 on Interconnection framework for Broadcasting TV Services distributed through Addressable Systems dated 4th May 2016

Dear Sir,

We take this opportunity to thank this Hon'ble Authority for issuing the Consultation papers on Interconnection framework for Broadcasting TV Services distributed through Addressable Systems

The 9X Media Group is a network of 6 (Six) music channels - 9XM, 9X Tashan, 9X Jhakaas, 9X Jalwa, 9XO and 9X Bajao (referred herein as "Channels") which offer exclusive music content. The channels target different genres of audience with a variety of music. We have based our responses from the perspective of a small broadcaster who has been offering channels containing music content

Issue 1:- COMMON INTERCONNECTION FRAMEWORK FOR ALL TYPES OF ADDRESSABLE SYSTEMS [3.2 to 3.5]

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

Level Playing field among different service providers can be ensured by having similar licensing conditions for all addressable systems.

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

YES, Such common regulatory framework may foster competition, promote orderly growth and result in better quality of services at competitive prices to the subscribers. This may also promote innovation and investment in cost efficient addressable distribution platforms. Any reduction in cost of distribution directly benefits consumers.



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Issue 2:- TRANSPARENCY, NON-DISCRIMINATION AND NON-EXCLUSIVITY [3.6 to 3.25]

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.

Yes.

All Broadcasters to have their own standard interconnect agreements as a fall back arrangement. Service Providers to make attempt to agree on terms and conditions mutually acceptable to them. In the event Service Providers are unable to mutually come to terms, parties to execute Standard Interconnect agreements.

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?

Please refer our comments stated in 2.1.

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.

Please refer our comments stated in 2.1.

Sharing of confidential information would amount to revealing commercially sensitive information. Such disclosure has an adverse effect on the way a business is carried.

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

Terms and conditions of Standard Interconnect Agreement should be the only terms and conditions that may be shared with other service providers.

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?

Subscribers should have a mechanism of reaching out to Broadcasters in the event of non availability of their preferred channels. Broadcasters to endeavour to provide signals through arrangements with DPOs.



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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 nondiscrimination and level playing field? Kindly provide details and justify.

Standard Interconnect agreements to contain basic commercials and technical conditions to enable seekers to approach the Provider. Seekers may also have an option of deviating from Standard interconnect agreements and get into mutual agreements with Signal Providers as deemed fit.

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

SIA may be published and used as a fall back arrangement.

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?

Yes, a format may be prescribed. The details sought could be summarised as below:-

- Postal Registration Certificate of the Operator
- List of linked cable operators
- Postal Registration certificates of such link operators
- Pole Permission
- Details of equipments of Control room/Headends containing all relevant information please note that the equipments need to be BIS compliant.
- Organisational chart of the network
- Copy of SLR of network
- Copy of SLR of linked operators containing total number of subscribers
- Area Map specifying location of nodes/amplifiers/ and related details





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Entertainment Tax registration certificate, if applicable

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

Yes. Similar to the Digital Cable Platforms.

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?

Please refer our comments in 2.10.

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.

Must be similar to Digital cable platforms.

m) 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?

Standard Interconnection Agreements to contain commercial and technical details. DPO s may prescribe their Standard Interconnect agreements for carriage and placement deals.

Issue 3:- EXAMINATION OF RIO [3.26-3.32]

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



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Standard Interconnect Agreements may be made available for seekers to get into interconnect agreements. Seekers may raise issues with Regulator if they are of the view that a particular SIA is not in consonance with Regulations. TRAI may intervene and assist in dispute resolution.

Issue 4:- TIME LIMIT FOR PROVIDING SIGNALS OF TV CHANNELS / ACCESS TO THE PLATFORM [3.33-3.39]

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.

Present period of 60 days is a considerable time for parties to get into agreements and no sub division may be done.

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

In the event of non compliance within the time limit prescribed, either party may approach Dispute resolution Authority to resolve their issues.

4.3 Should the SIA be mandated as fall back option?

Yes. Please refer our comments in 2.1.

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.

DPOs to cooperate in completing the audit process, failing which, Broadcaster may refuse to provide signals. Broadcasters delay in provision of signals may be attributed to the non-cooperation of DPOs.

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

Yes.





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Issue 5:- REASONS FOR DENIAL OF SIGNALS / ACCESS TO THE PLATFORM [3.40-3.42]

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

This issue is more relevant to the bigger broadcasters, who collect subscription from the ground. We basically pay carriage fees to the Distributors to carry our channels. We only deny access in case of incomplete documentation.

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?

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

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

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

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

No, the same would not be required.

Issue 7:- TERRITORY OF INTERCONNECTION AGREEMENT [3.49-3.51]

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

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?



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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?

We will be happy to permit distributor(s) to expand their territories as along as the same is in the approved area of operations. We are of the view for a broadcaster like us this would only help us in enhancing our connectivity.

Issue 8:- PERIOD OF AGREEMENTS [3.52-3.55]

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

No such period required.

Issue 9:- CONVERSION FROM FTA TO PAY CHANNELS [3.56-3.57]

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?

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

The prevalent practise of Notice of 3 weeks is good to go, however, the requirement of publication in news papers may be dispensed with.

Issue 10:- MINIMUM SUBSCRIBERS GUARANTEE [3.58-3.62]

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

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

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?

Number of STB per month – the highest number in a month to be the base for calculation of fee

Issue 11:- MINIMUM TECHNICAL SPECIFICATIONS [3.63-3.67]

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

Yes



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- 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?
- 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?
- 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.

Yes, 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.

Issue 12:- TECHNICAL AUDIT OF ADDRESSABLE SYSTEMS [3.68-3.72]

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

Yes.

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

One way could be that all pay broadcasters decide on a panel of auditors, who have the requisite skill, experience and technical knowhow to carry out the audit. Any one of those, as chosen by a DPO, can carry out the audit and share a report with all the concerned stakeholders. This will not only save the time and cut down on the multiplicity of efforts but also may reduce the number of disputes.

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

Yes, TRAI may provide a list of auditors, out of which broadcasters can choose and form a panel.



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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?

Yes. In addition to the above, provisions regarding recovery of deficit dues which may arise due to non sharing of true reports, may be included, which can be a deterrent to DPOs in providing false reports.

Issue 13:- SUBSCRIPTION DETAILS [3.73-3.80]

- 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.
- 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?
- 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?
- 13.5 What could be the compensation mechanism for delay in making available subscription figures?
- 13.6 What could the penal mechanism for difference be in audited and reported subscription figures?
- 13.7 Should a neutral third party system be evolved for generating subscription reports? Who should manage such system?
- 13.8 Should the responsibility for payment of audit fee be made dependent upon the outcome of audit results?

Number of STB per month – the highest number in a month to be the base for calculation of fee in Standard Interconnect Agreements.





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Issue 14:- DISCONNECTION OF SIGNALS OF TV CHANNELS [3.81-3.84]

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?

Present 21 days is good to go.

Publications may be dispensed with.

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

FOR DISCONNECTION OF TV SIGNALS [3.85-3.88]

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?

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?

15.3 Whether requirement for publication of notices for disconnection in the news papers may be dropped?

Broadcasters and DPOs may be permitted to display through OSD as a scroll without obstructing the content in any manner.

Requirement of publication of notices for disconnection in newspapers may be done away with.

Issue 16:- PROHIBITION OF DPO AS AGENT OF BROADCASTERS [3.89-3.91]

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?

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?



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Since provision of signals on a non-discriminatory basis is prevalent in the Regulations, the appointment of agents may be permitted.

Not required for Broadcasters to make it mandatory the distributor agreements

Issue 17:- INTERCONNECTION BETWEEN HITS/IPTV OPERATOR AND LCO [3.93-3.96]

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.

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

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?

No Comments.

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

[3.97-3.99]

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.

Issue 19:- REVENUE SHARE BETWEEN HITS/IPTV OPERATOR AND LCO [3.100-3.103]

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?



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Issue 20:- NO-DUES CERIFICATES [3.104-3.107]

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?

No Comments.

Issue 21:- PROVIDING SIGNALS TO NEW MSOs [3.108-3.110]

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?

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?

No Comments.

Issue 22:- SWAPPING OF SET TOP BOX [3.111-3.113]

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?

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

No comments.

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

No comments.



