Response of Dish TV India Limited

to the

Consultation Paper

<u>on</u>

<u>Interconnection framework for</u> <u>Broadcasting TV Services distributed through Addressable Systems</u>

Dated

May 04, 2016

Submitted by:

Ranjit Singh

e-mail: ranjitsingh@dishtv.in

Response of Dish TV India Limited to "Interconnection framework for Broadcasting TV Services distributed through Addressable Systems":

At the outset we again thank TRAI from bringing out the present consultation paper which is a need of the hour due to various reasons which inter alia included a gross and visible disparity and discrimination among the treatment meted out to various DPOs, specifically to the complete prejudice to the DTH operators which in effect sowed the seed for bringing transparency in the industry in terms of subscriber numbers which ultimately resulted in implementation of digitization.

As pointed out in our last responses, Dish TV has repeatedly been highlighting the disparities in the Industry leading to complete absence of level playing field for the DTH operators due to heavy taxation on the DTH industry coupled with the practice of the broadcasters to pay huge amount to the MSOs as carriage fee or under different heads and thereby creating a visible and clear difference in the content cost. At the cost of repetition we would like to highlight and reiterate the same again to bring the same again into the notice of TRAI.

DISPARITY METED OUT TO THE DTH INDUSTRY BY THE REGULATOR AND THE LICENSOR

A. LICENSE FEE

• TV Channels are distributed through various distribution platform operators (DPO) to the end consumers using various technologies, however, the content (TV Channel program) remains unchanged. The present regime for the license fee is discriminatory against the DTH Operators and is designed to provide the leveraged position to Cable Operator, HITS, IPTV, and MSO etc in the market place as they are not required to pay any annual license fee. On account of such additional burden the DTH subscriber is discriminated who has to bear higher burden, compared to cable/HITS subscriber. The DTH industry has been raising this issue from the time the industry has come into being. It is a matter of record that in the month of March 2008, the Ministry of Information and Broadcasting had taken a decision to fix the License Fee @ 6% of the Gross Revenue which decision had the

concurrence of the TRAI also. However, for reasons best known to the Government, the said decision is yet to be put into effect. The TRAI and the Ministry of Information & Broadcasting is well aware that the DTH has played a very critical role in making the Digitisation dream a success in addition to providing a world class experience to the consumers. Despite this, the DTH industry has always been accorded a step motherly treatment. There is an urgent need to remove these anomalies and create a level playing field for the DTH operator. Dish TV seeks the support of the TRAI in rationalization of the License Fee so that even the DTH may be granted a level playing field which has all along been given step motherly treatment by the Government and the Authority

• That the license regime with regard to similarly placed DPO's are tabulated in the table below:-

Parameters	DTH	MSO	HITS	Cable
Entry fee	Rs 10 crores	Rs. 1 Lakh	Rs. 10 crores	Nil
Bank Guarantee	Rs. 40 crore	Nil	Rs. 40 crore	Nil.
(in Rs. crore)				
Annual License Fee	10 % of GR	Nil	Nil	500/-
WPC license fee	As prescribed.	Nil	As	Nil
and royalty			prescribed	
Average	10%	10%	10%	10%
Entertainment Tax				

• DTH operators fall into the same category of DPOs as other operators such as MSO, HITS and LCO as all of them providing the same services and are competing for the same set of consumers. In such circumstances imposition of higher license fee on DTH operators and providing exemption for HITS and imposition on MSO (DAS area) a nominal fee of Rs. 1 lakh per year for the entire tenure and Rs. 500 per year on LCO, is highly discriminatory.

B. DISCRIMINATION BY BROADCASTER

Dish TV has repeatedly been highlighting the disparities in the Industry, largely owing to the huge amount paid by the Broadcasters to the MSO's under various heads, whether it

be carriage fee or marketing fee which basically were "reverse fee" having the effect of reducing the subscription pay out liability of the MSO's. Effectively, various nomenclature were being given to the said payments to keep them out of the Regulatory ambit. The direct effect of these payments was creating of disparity in the market and not creating a level playing field, which is till now heavily tilted towards the Cable Operators / MSO's. The TRAI in the last Consultation Paper namely "Consultation Paper on Tariff Issues related to TV Services" has observed this fact. In its response to the said Consultation Paper, Dish TV has highlighted that present regulatory regime is heavily tilted towards the MSOs and cable operators as compared to the DTH operators which allows the payment of huge carriage by the Broadcasters only to the MSO's / LCO's and thereby creating disparity and discrimination towards the DTH operators. This is evident from the fact that the regulation have allowed the MSOs and DAS operators to continue demand the carriage, marketing, placement and packaging fee from the broadcasters and no such provisions have been made for the DTH operators. This while creating a large gap between the revenue generation capacities of the MSOs vis-à-vis the DTH operators has caused further prejudice to the DTH operators considering the fact that the MSOs and DAS operators and also the HITS operator are not required to pay any Entry Fee, Bank Guarantee and Annual License fee which are required to be paid by the DTH operators. Clearly therefore there is no level playing field for the DTH operators and the DTH operators are competing with the operators who are much better placed. This is despite the fact that DTH services brought transparency in the sector giving the much needed boost which was required by the sector to tackle the persisting problem of under declaration by the cable operators.

With regard to the Carriage Fee, it is stated that the present regulatory framework has allowed the MSOs and DAS operators to continue demand the carriage, marketing, placement and packaging fee from the broadcasters and even the Broadcasters have happily supported the carriage fee model. It is a matter of fact that because of the huge carriage fee paid by the broadcaster, the subscription cost for the MSO is nil to negligible.

A bare look at all the agreements entered into between a Broadcaster and an MSO will clearly establish that the subscription cost of an MSO ranges around Rs. 10 - Rs. 20 per subscriber where the same is in the range of Rs. 80 to Rs. 100 for a DTH operator. The TRAI being the regulator ought to be in possession of this data and needs to take urgent steps to remove this anomaly and create a level playing field between all the DPO's.

Such a practice has created a large gap between the revenue generation capacities of the MSOs vis-à-vis the DTH operators has caused further prejudice to the DTH operators considering the fact that the MSOs and DAS operators and also the HITS operator are not required to pay any Entry Fee, Bank Guarantee and Annual License fee which are required to be paid by the DTH operators.

C. DISCRIMINATION BETWEEN A DTH SUBSCRIBER AND CABLE SUBSCRIBER

The subscribers of the DTH platform, like subscriber of any other platform receive the same registered and permitted channels. The intent and purpose of the activity of broadcaster and that of the DTH operator and any other Distribution Platform Operator is same, i.e, making the same channel available for public viewing. The DTH operator as well as any other DPO merely provides connectivity between content broadcaster and the consumer. However only the DTH subscribers are burdened with the License Fee and the subscribers of other distribution platform including cable operator, multi system operator, HITS operator are not subjected to the said fee and the tax compliance in case of Cable distribution and HITS is miniscule. Since the Cable and HITS platforms do not have the License Fee incidence ostensibly to promote digitization, the levy of License Fee only on DTH platform is a clear cut policy discrimination resulting in non-level playing field. Thus the discrimination is hostile and arbitrary.

It is pertinent that out of the Total Cable & Satellite household of 135 Million, only 43 subscribers are meted out a discriminatory treatment who are burdened with the License Fee.

With the advent of Digitisation, it is imperative that a non-discriminatory License Fee regime for the subscribers is put in place which can be achieved through fixing the License Fee on the initial broadcast itself which will ensure that no subscriber is discriminate against the other.

The view of the TRAI regarding provision of level playing field to the DTH operators vis-àvis cable operators was also echoed in its consultation paper titled as "Consultation Paper on DTH Issues relating to Tariff Regulation & new issues under reference" dated March 6, 2009 wherein the TRAI observed that there is no license fee on cable TV operation whereas license fee has to be paid by DTH operators. The DTH services on the other hand are subjected to multiple taxation which inter-alia includes service tax @ 15%, entertainment tax at different rates by State governments and VAT @ 12.5%. In addition, if license fee @ 10% is also added, the cumulative taxation would come to a significant amount which leads to high incidence of levies and taxes for DTH service. On the other hand, the incidence of taxes and levies in cable TV are much less because of two reasons. Firstly, there is no license fee payable by LCOs / MSOs / IPTV. Secondly, in the absence of addressability, there is always considerable scope for evasion of taxes in the cable TV segment.

Clearly therefore there is no level playing field for the DTH operators and the DTH operators are competing with the operators who are much better placed because of discriminatory treatment to the DTH industry. This is despite the DTH services brought transparency in the sector giving the much needed boost which was required by the sector to tackle the persisting problem of under declaration by the cable operators.

In addition to the above, we would like to highlight that while the present consultation paper aims to focus and ensure non-discrimination and level playing field amongst the distributors using different digital addressable systems such as DTH, IPTV, HITS, and DAS, the same does not

have any mention of the OTT platform which is gaining momentum at a rapid pace which admittedly any regulation or rather in violation of the existing regulation. We take this opportunity to highlight this crucial aspect before the authority once again so as to bring the notice of the authority on this issue as well before proceeding with formulation of any regulation.

OTT PLATFORM: A DEVICE TO CIRCUMVENT THE EXISTING REGULATORY FRAMEWORK

The Broadcaster, who have obtained the permissions to uplink / downlink channels from the Ministry of Information and Broadcasting, have started using the internet platform to make their content / channel available. Furthermore, the broadcasters are themselves distributing the same content to the users. Accordingly, the Broadcaster is operating as "Broadcaster" as well as "distributor of televisions channels" on the internet platform.

In this regards, the following points are important to note:

- In terms of the extant TRAI Regulations, a Broadcaster means any person including an individual, group of persons, public or body corporate, firm or any organization or body who/which is providing broadcasting service and includes his/her authorized distribution agencies.
- Further, the Broadcasting services means the dissemination of any form of communication like signs, signals, writing, pictures, images and sounds of all kinds by transmission of electromagnetic waves through space or through cables intended to be received by the general public either directly or indirectly and all its grammatical variations and cognate expressions shall be construed accordingly.
- ➤ A bare perusal of the above two definitions clearly provide that the dissemination of the Television channel content even through internet will amount to broadcasting service and the person broadcasting the same would be broadcaster.

Further, it is also important to note that the content being provided by the broadcasters are free of cost with an intention to create a captive subscriber base and create a monopolistic situation. Because of 'free of cost' provision of the content by the broadcasters through OTT services, other distributor of TV Channels are heavily prejudiced. This method of streaming of content by the broadcasters directly to the customers, bypassing all the intermediaries would ultimately have the effect of potentially threating the existence of the other distribution platforms. With the launch of 4G services this trend is more alarming. Such provision of content completely at no cost would only induce the subscribers to shift their operators for the purpose of channel viewing.

<u>Impacts of the provision of TV Channels / contents by the Broadcaster</u>

- Since the Broadcaster are providing the channels / content directly to the consumers, that too without any charge, this would create a monopolistic situation where the Broadcaster, being the distributor also would also control the end mile solution.
- The TRAI Regulations clearly prohibits any distributors of TV channels or a broadcaster to enter into any exclusive contract. In the present case, on the internet platform, since the broadcaster is also a distributor of TV channel, the arrangement is clearly exclusive in nature. The reasons for prohibiting exclusivity under TRAI Regulations was to ensure an orderly and equal growth of all distribution platform.
- Furthermore, the instant situation, where the broadcaster is also a distributor of TV channels, is also in breach of the cross holding restrictions notified by the government which clearly prescribes cross holding restriction between broadcaster and distributor. In the absence of similar prescription for internet based provision of channels, the broadcasters are breaching the cross holding restriction while providing the channels directly to the subscriber.

In this regard, we would also like to state that the primary objective for establishment of the TRAI was to protect the interest of the service providers and consumers and to promote and

ensure the orderly growth of the telecom sector which includes the DTH sector. This objective is enshrined in the preamble of the TRAI Act, and the same is mentioned as under:

"To provide for the establishment of (Telecom Regulatory Authority India and the Telecom Disputes Settlement and Appellate Tribunal to regulate the telecommunication services, adjudicate disputes, dispose of appeals and to protect the interest of service providers and consumers of the telecom sector, to promote and ensure orderly growth of the telecom sector) and for matters connected therewith or incidental thereto."

With the enormous increase in the users availing the channels through internet, it is imperative that the TRAI steps in right now to notify certain regulation to cease the advent of monopolistic activities. We therefore expect that the TRAI would notify necessary regulations to ensure the orderly growth of the industry and also to provide a level playing field to the distributor of TV channels.

It is submitted that under the proposed tariff framework, if a channel is declared as a Pay channel by the Broadcaster, then the said channel should neither be allowed to be made available on any other distribution platform at a cost lower than the published price nor should the subscribers of the distribution platform should be able to receive the same free of cost. The regulation may provide for partial exemption of news channels.

Before proceeding to avert our response to the consultation paper, we therefore sincerely request TRAI to consider the issues as mentioned hereinabove and take some concrete steps towards ensuring that the same are addressed in a fair and proper manner as in the absence of this it will not be possible to ensure level playing field amongst the stakeholders and such a scheme will only be illusionary.

ISSUE 1:- COMMON INTERCONNECTION FRAMEWORK FOR ALL TYPES OF ADDRESSABLE SYSTEMS

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

<u>Dish TV Response to Issue No. 1.1:</u> The DTH industry has long been making the demand for parity and non-discrimination in order to have a level playing field with Multi System Operators. It is a matter of common knowledge that the level playing field between a DTH operators and an MSO does not exist majorly on account of huge carriage fee being paid by the Broadcaster to the MSO for carriage of the channels whereas no such carriage fee is being paid to the DTH operator. A DTH operator competes with the MSO and the said competition becomes heavily tilted towards the MSO because of the huge content cost being paid by the DTH operator plus the additional burden of the License Fee.

With regard to the Carriage Fee, it is stated that the present regulatory framework has allowed the MSOs and DAS operators to continue demand the carriage, marketing, placement and packaging fee from the broadcasters and even the Broadcasters have happily supported the carriage fee model. It is a matter of fact that because of the huge carriage fee paid by the broadcaster, the subscription cost for the MSO is nil to negligible. A bare look at all the agreements entered into between a Broadcaster and an MSO will clearly establish that the subscription cost of an MSO ranges around Rs. 10 – Rs. 20 per subscriber where the same is in the range of Rs. 80 to Rs. 100 for a DTH operator. The TRAI being the regulator ought to be in possession of this data and needs to take urgent steps to remove this anomaly and create a level playing field between all the DPO's.

Such a practice has created a large gap between the revenue generation capacities of the MSOs vis-à-vis the DTH operators has caused further prejudice to the DTH operators considering the fact that the MSOs and DAS operators and also the HITS operator are not required to pay any Entry Fee, Bank Guarantee and Annual License fee which are required to be paid by the DTH operators.

Clearly therefore there is no level playing field for the DTH operators and the DTH operators are competing with the operators who are much better placed. This is despite the DTH services brought transparency in the sector giving the much needed boost which was required by the sector to tackle the persisting problem of under declaration by the cable operators.

The above is clearly in teeth of the Regulation which mandates that the Broadcaster has to offer its channel on non-discriminatory basis to all Distribution Platform Operators. By offering their channel at heavily discounted rates to the MSO's, the Broadcasters have been perennially discriminating against the DTH operator which discrimination needs to be removed now.

In view of the above and in order to bring a level playing field, the Regulations should clearly impose an obligation on the Broadcaster to ensure that a Distribution Platform Owner is not discriminated from the others failure of which should entail necessary and strict action on such broadcaster. At this juncture, it is important to note that even the existing Regulations of the TRAI provides that the Broadcaster has to offer non-discriminatory terms to all the Distributors breach of which would amount to refusal. Further, even the Government of India, in order to bring parity and non-discrimination had issued an order dated 01.06.2015 has directed that a DTH operator should not carry the channels of a Broadcaster who either refused to provide the channels on non-discriminatory terms to any other DTH operator or has been found to be in violation of any law. Similar provisions needs to be incorporated in the Interconnect Regulations which should be made applicable to all the Addressable Platforms as well as to the Broadcasters.

Accordingly, we are of the view that level playing field can be easily achieved through the means of "Transparency" and "Effective implementation of the Regulations"

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

<u>Dish TV Response to Issue No. 1.2:</u> Objective of interconnect regulation is to govern the relationship between the broadcasters and the distributors in order to ensure provision of signals

of a TV channel on non-discriminatory terms by the broadcasters to the distributors, the provisions for making Reference Interconnect Offer (RIO), the provisions for renewal of interconnection agreement, the procedure for disconnection of signals of TV channel, the procedure for ascertaining the subscriber base for non-addressable systems etc., - which in lot of cases are difference between different addressable service provider. A DTH would differ from MSO on availability of channel carriage capacity. Similarly differences exist between a DTH / MSO and an OTT platform.

Accordingly, in our view, a different Regulatory regime needs to be formed for different Addressable systems however it is imperative that similar rights and responsibilities are cast on all the Addressable systems operator to ensure semblance and level playing field. It is stated that the level playing field is primarily distorted because of tariff issues and not interconnection issues. Accordingly, such tariff structure needs to be put in place which ensures that a proper level playing field is put in place to enable the DTH operators to compete effectively in the market and more importantly, to enable the DTH industry to "survive to compete"

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.

<u>Dish TV Response to Issue no. 2.1:</u> Freedom to contract and to finalise the terms thereof is a liberty and a property right and when an owner is deprived of one of the attributes of property like the right to make contracts, he is deprived of his property. Freedom to contract is common law civil liberty enjoyed by all persons. It being a property right is protected under Article 301 of the constitution of India. The public policy of interference with the said property rights is desirable only in the case the said freedom is detrimental to public generally, however any restriction not based on the said ground is curved by constitution to protect natural rights of citizen. In addition right to freedom of trade and profession also includes freedom to negotiate for the purpose of furthering trade and profession on the commercial terms to meet and ability business and marketing requirements of a natural person or a business entity which is protected

under Article 19(1)(g) and restriction is only unexceptional for public order under Article 19(5) the restriction under Article 19(5) is to be tested on the proportionality

Further, the TRAI is also aware that the Broadcasters and the Distribution Platform Operators (DPO's) were entering into the interconnect agreements on the basis of mutually agreed terms from the very start. It is also a matter of fact that all Distributors as well as Distributors have been submitting their Interconnect Agreements with the TRAI which have been accepted by the TRAI all along. In terms of the judicial pronouncements, it is a settled position that the behaviour of the Regulator is the most critical factor in interpreting a Regulation

The said negotiated agreements not only provides the freedom of the contract as provided for under Article 19 (1) (g) of the Constitution, it has also enabled the Distributors to provide the channels to the customers at very reasonable rates.

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

<u>Dish TV Response to Issue no. 2.2, 2.3 & 2.4:</u> The above said negotiated interconnection agreements should always be done in a transparent manner. All such deals / agreements should be submitted by the parties to the TRAI. In order to ensure full transparency and ensure non-discrimination, the parties should be directed to submit all the Agreements for whatever purpose, whether Subscription / Carriage / Marketing / Support or any other name entered into them. This will ensure that no Agreement remains outside the realms of the Regulator and will also remove any possibility of providing any favourable treatment to any party. Further, the regulations should also provide the parties shall submit on quarterly basis, the amount paid to each other, duly certified by their respective Statutory Auditor.

As the entire thrust of the exercise is to ensure transparency and non-discrimination, it is imperative all relevant information be submitted to the TRAI. As stated above, proper disclosure of the interconnection agreement coupled with effective implementation of the Regulations will ensure level playing field and non-discrimination.

As regards the Confidentiality of Interconnection Agreement, it is stated that position of nondiscrimination can never be achieved if the Interconnection Agreements are allowed to be kept confidential.

Dealing specifically with this issue i.e. issue regarding confidentiality of the information in respect of the agreements executed by the broadcasters, the TDSAT in its judgment dated 07.12.2015 in the Petition No. 295(C) of 2014 filed by NSTPL negated the contention of the broadcasters/IBF that the Access Regulation hold supremacy over the Interconnect Regulations and therefore the information pertaining to the agreements executed should not be disclosed. The Hon'ble Tribunal held as under:

"The Written Submissions filed behalf of TRAI describes Clauses 3.1 and 3.2 as the "most essential conditions of the interconnection regulations". We are in full agreement with this view of the Interconnect Regulations, 2004 and in that view the commercial terms of the interconnect agreement cannot be held to be exempt from disclosure under the Access Regulations. In view of the "must provide & non-discrimination" obligation there can be no secrecy in the commercial terms, because they cannot be permitted to be the source of any comparative or competitive advantage. In our considered opinion, therefore, the broadcasters cannot hide behind the Access Regulations on the plea that the distributor must first obtain an order of disclosure from TRAI."

By acknowledging in more than clear terms that the non-discriminatory provision in Clause 3.2 is the essence of the Regulations and that the broadcasters have since long been taking benefits of the loopholes in the regulation and silence of TRAI in this regard have already caused much damage to the industry the Hon'ble Tribunal went on to hold as under:

"The non-discrimination obligation, which TRAI acknowledges as the pivot of those Regulations, appears inconsistent with a regime where parties are allowed full latitude to mutually negotiate their agreements and also not disclose the commercial terms of the agreement to other market participants."

Establishing therefore that disclosure of information forms that very basis for achieving the ultimate objective of Interconnect Regulation i.e. non-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?

<u>Dish TV Response to Issue no. 2.5:</u> The principles of "Non Exclusivity" and "Must carry" are the touches on which the entire Interconnect Regulations are based upon. Removal of any one or more of them will leave the industry in tatters, give growth to monopoly, create unimaginable discrimination and above all, will be totally anti-consumer. At this juncture, it is imperative to identify the reasons because of which the "Non Exclusivity" and "must carry" provisions were introduced and any change in these would be warranted only when the change in the reasons are evident. The following were *inter alia* were mentioned by the TRAI in the Explinatory Memorandum to the Interconnect Regulations dated 10.12.2004 as the reasons:

- 1. The distribution of cable TV in India is characterized by a few dominant broadcasters and large multi system operators (MSOs). Some of these players have become even stronger as vertical integration has taken place. Last mile operations on the other hand are highly fragmented and therefore there are large disparities in the bargaining power of various players of the distribution chain.
- 2. The vertical integration may improve efficiency as it reduces the transaction between upstream and downstream operations but at the same time vertically integrated companies may be able to use the vertical integration in certain circumstances to reduce competition. The anti-competitive behaviour could take the following forms:

- (i) Vertical Price Squeeze may happen when a vertically integrated broadcaster increases the price of a TV channel for competing operators but maintains the same price for operator affiliates. The effect would be to reduce or squeeze the margins.
- (ii) Exclusivity of the Content could be another form whereby popular TV channels can be denied to a competitor so as to promote the broadcaster's own distribution network.
- (iii) Denial of carriage by a vertically integrated cable system of TV channel of the rival company. _

Non Discriminatory Access

- 3. In India, competition for delivery of TV channels is not only to be promoted within the Cable Industry but also from distributors of TV channels using other mediums like Direct To Home (DTH), Head Ends in the Sky etc. It is important that all these distribution platforms are promoted so that they provide consumers with choice. It would be very important that at this stage vertical integration does not impede competition. Vertically integrated broadcaster and distribution network operators would, in the absence of strong regulation, have the tendency to deny popular content to competing networks or to discriminate against them.
- One method of checking these practices is to stop at the source any chance of anticompetitive behaviour by ruling that vertical integration will not be allowed. This route could, however, impede investments and in the long run adversely affect competition. The only DTH platform today has a degree of vertical integration. There is another pay DTH platform which is awaiting approval from the government that also has a degree of vertical integration. DTH is the platform most likely to provide effective competition to cable operators. Restriction of vertical integration could therefore lead to a situation where the DTH rollout could be affected and hence competition. It is for this reason that the alternative route has been looked at; controlling anti-competitive behaviour wherever it manifests itself. These issues are dealt with in the following paragraphs.
- 5 Generally TV channels are provided to all carriers and platforms to increase viewership for the purpose of earning maximum subscription fee as well as advertisement revenue. However, according to some opinions, if all platforms carry the same content it will reduce competition and there will be no incentive to improve the content. Some degree of exclusivity is required to differentiate one platform from the other.
- Exclusivity had not been a feature of India's fragmented cable television market. However the rollout of DTH platform has brought the question of exclusivity and whether it is anti competitive to the forefront. Star India Ltd and SET Discovery Ltd do not have commercial agreements to share their contents with ASC Enterprises on its DTH platform and at present are exclusively available on the Cable TV platform. ASC Enterprises claims that the future growth will remain impacted by the denial of these popular contents. Space TV a joint venture of Tatas and Star, is also planning to launch its digital DTH platform. It has applied for license to the government for the same. The DTH services have to compete with Cable TV. If a popular content is available on Cable TV and not on the DTH platform, then it would not be able to effectively give competition to the cable networks.
- The issue has to be seen primarily from the consumer's perspective. If all channels are not available on one DTH platform then the consumer may have to install more than one dish to view his favourite channels. If the content is not available on all platforms then they would not be treated as the same and would be presented as different products having different content. If content, especially popular content, is exclusively available on one DTH

platform then there may not be effective competition. The consumers would also have limited choice as subscribing to one particular DTH platform may not ensure the availability of content of his/her choice.

- 8. The DTH platform would have to be seen as a carrier of TV channels and its vertical integration with the broadcaster cannot be the reason for content denial to the other distributors. The DTH platforms would have to compete on the strength of the quality of service, tariffs and packaging of the TV channels and not on the content.
- 9. DTH is quite clearly the most effective competitor for Cable TV today. It would be illogical for a consumer to establish two arrangements to view the differing content of two platforms when he has access to the entire content through cable. Moreover if a popular content is available on the cable network and is not available on the DTH platform, it would never be able to give an effective alternative to the cable services. Competition between cable and DTH will be enhanced if all the content is available on both platforms. Similarly the cable industry should not be denied content that is available on DTH. Therefore in the interest of consumers it is essential that all channels are available on all platforms on a non-discriminatory basis. This would promote competition amongst different platforms and thus would be beneficial for the consumers.
- 10. The Authority has also looked at international experience in this regard. In India, the problem is that broadcasters may not provide content to rival platforms and this could adversely affect competition in terms of price and quality of service. It is therefore necessary that there should be regulations in place that can be invoked if content is denied in a manner that stifles competition. Thus a general ban on exclusivity at this stage has been envisaged.

A bare perusal of the above explantion of the TRAI made out in 2004 will clearly illustrate that the "Non exclusivity" and "must carry provisions" need to be mandatorily provided for in the Regulations to ensure the orderly growth of the industry. Looking from the consumer perspective, removal of "non exclusivity" would amount to a situation where a consumer will certainly have to take the services from more than one service provider since the content will cease to be platform neutral. Removal of must carry provisions will certainly give rise to discrimination, as rightly pointed out by the TRAI. Accordingly, the said provisions need to be continued.

As regards, must carry provisions, it is stated that the said provision was not made appliacable to the DTH platform because of the limited satellite capacity a DTH platform has. The satellite capacity scarcity continues to plague the DTH industry and under these circumstances, must carry provisions cannot be made applicable to the DTH industry.

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.

<u>Dish TV Response to Issue no. 2.6:</u> The term – "Reference Interconnect Offer" itself connotes an offer being given for Interconnection. The concept of the Reference Interconnect Offer was introduced by the TRAI to ensure that the provisions of Clause 3.2 of the Regulations, i.e., "must provide" provisions are met. However, the concept of provisions of the RIO are neither been complied by the Broadcasters nor being enforced by the Regulations. The following are the perineal issues with the RIO's issues by the Broadcaster:

- No reference of the Carriage Fee despite the same being a critical factor of the Interconnection with the MSO. Such suppression has given rise to discrimination with the DTH.
- Providing for discounts based on the packaging of the Channels. Such discounts force the
 DTH operators to package the channels in the manner prescribed by the Broadcaster
 thereby taking away the flexibility to package the channels as per the demands of the
 consumers.
- Linking the discounts with the subscriber numbers is a way to impose minimum guarantee stipulation on the DPO's despite such condition being strictly forbidden under the Regulations.
- Non-compliance of the twin conditions prescribed under the Regulations.
- Discontinuation of the bouquets which were mandatorily required to be given under the provisions of "Telecommunication (Broadcasting and Cable) Services (Second) Tariff Order 2004" dated 01.10.2004".

Accordingly, it is imperative that the Broadcasters are directed to clearly mention all the terms and conditions of carriage of their channels so as to ensure compliance of essence of the existing Clause 3.2 of the Regulations. However, the Authority would also need to keep a keen watch on the offering being made the Broadcaster to ensure compliance.

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

<u>Dish TV Response to Issue no. 2.7:</u> Views of Dish TV has already been expressed in the preceding paragraphs.

- 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?
- 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?

<u>Dish TV Response to Issue no. 2.8 & 2.9:</u> We are of the opinion that the provision of SIA coupled with the freedom to the Service Providers to mutually finalize the terms of the deal will help the cause of the industry. It is a matter of record that the RIO's which are placed by the Broadcasters are always marked with – "not for execution" sign. Accordingly, even after acceptance of the RIO by a DPO, the said DPO is required to sign a new Agreement the terms of which are not known to the TRAI. Accordingly, in case the parties are not able to finalise the terms of the distribution of any channel, there should be a provision where the DPO can avail the signals of the channels by signing the SIA which should be available on the website of the Broadcaster. T

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

<u>Dish TV Response to Issue no. 2.10, 2.11 & 2.12:</u> As stated above, the 'must carry' provisions cannot be made applicable to DTH for the simple reason that the DTH operators face huge constraint in the satellite transponder capacity. This reason has also been acknowledged by the

TRAI. It is stated it will be impossible for the DTH platform to perform / comply with any such regulations.

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?

Dish TV Response Issue no. 2.13: On the issues related to transparency, non-discrimination and non-exclusivity we have already provided our comments in our response to the consultation paper on register of interconnect agreements. While reiterating the same we would once again like to state that in its judgment passed in the matter of NSTPL, the Hon'ble TDSAT has categorically held that non-discrimination is the essence of the interconnect regulation and the same cannot be achieved with enforcing provision related to disclosure of commercial terms. We would like to state that for ensuring level playing field, it is the 'Transparency' which is required and not the protection of commercially sensitive information. It is a matter of record that such practice has been plagiarizing the industry and has resulted into a situation where the Hon'ble TDSAT had to step in. And specifically when the judgment of the Hon'ble Tribunal has attained finality after Hon'ble Supreme Court's refusal to give any reprieve to the broadcasters who had gone into an appeal against the order of the Hon'ble Tribunal, there is neither any scope left for the TRAI to bring the same issue again for the stakeholders to agitate nor should the TRAI proceed on this direction.

Accordingly, all the interconnect regulations must contain all the terms of distribution of the Channel including (i) subscription fee – fee paid by the DPO to the Broadcaster and (ii) Carriage Fee – the fee paid by the Broadcaster to the DPO under any name or manner whatsoever. These should also be provided for in the RIO of the Broadcaster.

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?

- 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?

Dish TV Response: The current regulatory framework prescribes for publication of RIO by the broadcasters and notification of the same by the broadcasters to the TRAI and the DPOs. This provision which is effectively an 'intimation mode' has resulted into a system where though the broadcasters used to notify the authority and the other parties about the publication of any RIO and amended RIO, as the case may be, neither of the notified party used to respond to the broadcasters except for few instances where the authority notified for change in pricing of the channels or in very few cases where the effected DPO had gone to TDSAT. This led to the broadcasters putting as many irrational and discriminatory clauses in the agreement as possible in their RIO. This phenomenon has also been observed in the recent RIO's filed by the Broadcasters. However this situation cannot be improved by mandating publication of draft RIO by the broadcasters and inviting all others to raise objection in respect of the same. Doing this would be immensely unhealthy or the industry as (i) there may infinite number of the comments from the stakeholders and it will almost be impossible for a broadcaster to implement the suggestions of each and every stakeholder and this will lead to multiple disputes, (ii) the broadcaster will be mandated for following the same process for each and every change in its RIO and this will be a continuous process round the year.

To avoid this therefore, we suggest to change the present practice of 'intimation mode' to an 'approval mode' where the broadcasters should made to mandatorily report its RIO or amended RIO as the case may be, before publication to the TRAI for the TRAI to verify the compliance of the same with the regulatory requirement and to accordingly intimate the broadcaster about approval of the same or to require the broadcaster to rework the RIO and submit for TRAI approval again. The RIO can be published and be notified to the other stakeholders only upon approval of the Authority and in no other case. This is ensure that published RIO will be complaint

with the regulatory requirement and no disputes or minimum disputes are raised in respect of the same.

As regards the objections to be raised by the DPO's, we believe there should not be a provision in prescribing the time line within which the same has to be objected. Such a clause will again be impossible to perform. If such a stipulation is laid down, every time a pay broadcaster makes some change in the RIO, each and every DPO will have to have a look at the RIO to identify whether the same is in line with the Regulations or not. Such a condition or situation is neither desirable nor possible.

ISSUE 6:- INTERCONNECTION MANAGEMENT SYSTEM (IMS)

- 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?

<u>Dish TV Response:</u> The DTH has always been totally transparent will all the required information – whether to the Broadcaster in the form of monthly report or the Regulator, in the form on periodic filings always being provided within the required timelines. There has never been an occasion where there has been an instance of incorrect or delayed reporting by a DTH operator. According, the IMS is not required for the DTH system. We are always willing to provide all the information in e-formats which itself takes care of the reasons because of which IMS is being contemplated.

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?

<u>Dish TV Response to Issue No. 8.1:</u> We believe that there should not be any fixation of the period of the Agreement. It may be noted that the period for which any agreement is to be executed is purely a business call and is based on the business strategy of the companies and there not be any interference on this aspect by any regulatory mechanism. As long as the agreement are in compliance of the regulation we do not think three should be any problem as to for how many years the agreement is to be executed.

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?

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

<u>Dish TV Response to Issue No. 9.1 & 9.2:</u> At the outset, before getting to the issue under consideration, we would like to submit that the TRAI needs to finalise the definition of FTA Channel. Currently, the FTA Channel is being considered as a Channel which declares itself as such to the TRAI for which no charge is payable by the DPO's. However, in normal practice, there are lot of instances where a Pay Channel is also made available by the Broadcaster to either an OTT platform or to DPO's however they continue to charge from other DPO's. This is another reason through which discrimination is perpetuated and the Regulations are flouted. Accordingly, the Regulations must provide that as soon as a Pay Broadcaster gives its channel without consideration to any DPO / OTT Platform, whether in encrypted or unencrypted format, such channel shall be considered as FTA and no DPO shall be required to make payment for such channel from the date of conversion.

Any conversion of the channel from Pay to FTA must be done with prior intimation to the DPO's so that they can make necessary changes in the packaging, in its ala carte rates and inform the subscribers in advance. Effectively, such an intimation will go only towards customer satisfaction.

We believe 30 days' time period would be sufficient for intimation of conversion of channel.

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 guarantee?

<u>Dish TV Response to Issue No. 10:</u> Minimum subscriber guarantee has always been forbidden under the regulations and any such stipulation has been considered as refusal to given the channel on non-discriminatory. Accordingly, any stipulation, whether direct or indirect, providing for payment of subscription fee on a minimum subscriber number should not be allowed.

At this juncture, we would like to refer to our submissions made before the Authority in the Consultation Paper dated January 29, 2016 on Tariff issues related to TV services. We request the Authority to consider our response to the said Consultation Paper before arriving at any conclusion on this issue. It has been submitted by a large section of the stake holders that it is imperative for the Authority to identify and prescribe for a true value of a channel. It is a matter of record that the RIO rates prescribed by the Broadcaster are totally de-horse of market reality and have always been used as a tool to force the DPO's to follow their diktats. Even the Hon'ble TDSAT has at various occasions required the Authority to undertake an exercise to fix the rates of the channels. Once the channels prices are fixed / determined by the TRAI, the issue regarding the unfair / discriminatory discounts being offered by the Broadcasters would itself get settled to a large extent.

As regards the payment of License Fee, it is submitted that the payments would always need to be made for the actual number of subscribers availing the signals of the channels. However, since the exercise for rationalization of the rates of the channels are already underway, we strongly believe that upon conclusion of the exercise, the fair rates will start becoming available to the DPO's. Further, as submitted above, the RIO's of the Broadcasters should be submitted to the TRAI for approval and during which process the TRAI would be a position to evaluate the discounts offered by the Broadcasters.

ISSUE 11:- MINIMUM TECHNICAL SPECIFICATIONS

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

<u>Dish TV Response to Issue No. 11:</u> We believe the technical specification indicate in the existing regulation of 2012 are adequate for DTH and no addition / updates are required to be made in the same. As regards the approval of CAS and SMS are concerned, we believe that since the existing technical specification clearly provide for the features a CAS & SMS must have, there is no need to provide for the approval of CAS / SMS deployed by the DTH operators. As long as the DTH operators are complying with the said requirements, there is no need for any additional provision to be made. The Authority is aware that the CAS and the SMS are one of the most critical element for any addressable system as well as being very expensive for the operators. However, it has been a matter of record that CAS & SMS of any DTH operator has not been compromised as such till date and accordingly, there is no occasion for providing for the approval route. Further, all the DTH operators have been operating from last 7 to 12 years and have acquired subscriber in the range of 5 Million to 12 million. With an established subscriber base and established CAS & SMS, there is no occasion to revisit the same.

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

<u>Dish TV Response to Issue No. 12:</u> Audit of the CAS and SMS was provisioned in the interconnect regulation primarily with a view to ensure that the CAS & SMS are in compliance with the specifications provided for in the Regulations. It is also a matter of record that the Broadcasters have conducted Audits of CAS & SMS of the DTH operators and during all Audits, the CAS and SMS have found to be in order. It is also a matter of record that even BECIL has conducted this Audit and during that Audit also, the CAS & SMS have been certified as being in compliance with the specifications laid down in the Regulations

However, it is a matter of record that this very provision has also been misused and numerous Audits have been conducted despite the CAS & SMS being certified as being compliant. Currently, the Regulations provide that the Broadcaster shall have the right to conduct the Audit of CAS & SMS. However, due to this provision, multiplicity of Audits are being conducted which results in huge wastage of time and resource. In order to avoid such a situation, it is suggested that CAS &

SMS of the DTH be Audited by BECIL once in Three years and upon certification of the CAS & SMS, the same should be acceptable to all the Broadcasters. As stated above, since the Technical Specification specified under the existing Regulations are adequate, once the Audit by BECIL confirm the CAS & SMS to be compliant, there is no occasion for conducting multiple Audits of the same DTH operator. It is strongly suggested that the Auditor has to be an independent Auditor and not any agency appointed by the Broadcasters. BECIL is the government agency which is fully equipped to handle such an Audit as well we being independent, accordingly the same should be handed over to BECIL. This will avoid any litigation as well as contribute towards saving cost, time and manpower.

In case of any intentional breach of CAS & SMS which is material in nature, the Authority can impose conditions which should act as deterrent for making such intentional changes.

As regards the Technical Specifications, approval of CAS & SMS of MSO and Audit of the same, we believe separate set of rules needs to be made for the MSO since the same has not been found to be fully established across the MSO chain.

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.

<u>Dish TV Response to Issue No. 13.1:</u> We believe that the Regulation should provide for a common format for the subscription report which needs to be supplied by the DPO's to the Broadcaster. Currently, each Broadcaster has provided its own format and the DPO's are required to report in the said format. Although, the information required in all the said formats are more or less similar, however difference in the formats make the reporting a tedious even for the DPO's.

The purpose of the subscriber report is twofold – first to identify the amount payable by the DPO to the Broadcaster and secondly, to the inform the Broadcasters about the placement of the channels in various packs. Accordingly, the format to be prescribed by the Authority can provide that the following information be made available to the Broadcasters on monthly basis – Name

of the channel, number of the subscribers availing the channel, names of the packs in which the channels are placed and the subscriber numbers of the pack comprising of the channel. A bare perusal of the subscriber reports prescribed by the Broadcasters will indicate that even currently, only these information are being sought by the Broadcasters and hence, the same can be standardized under the Regulations.

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?

<u>Dish TV Response to Issue No. 13.2:</u> The method of calculation of subscription number for each Channel / bouquet, as prescribed under the existing Regulations are adequate and does not need any change. In this regard, it is submitted that while providing for any change in the format, the Authority has to consider that some DTH operators are having close to 10 Million subscribers and any prescription of capturing and storing the day wise data will be technically not possible. The current regime which provides for identification of subscription numbers on the basis of average number of subscribers has been effective and there has not been any loss of revenue to the Broadcasters. Accordingly, no change is required to be done.

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?

<u>Dish TV Response to Issue No. 13.3 & 13.4:</u> The subscription audit methodology prescribed in the regulations have successfully withstood the test of time however necessary steps needs to be taken to avoid multiplicity of Audits. With around 6-7 large pay broadcasters, a DTH operator may need to undergo Audit for around 12 times a years if all of them choose the option to conduct twice a year which mean Audit every month. We are hopeful that such is neither the intent of the Regulator nor the Broadcaster. Accordingly, to avoid the multiplicity, the Regulation can provide that an independent Auditor can conduct the Audit of the subscriber reports of the DTH operator. The scope can be defined in the Regulations under which the Auditor can verify the reports sent to the Broadcaster. Upon successful completion of the Audit, no further Audit should be required to be conducted.

- 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?

<u>Dish TV Response to Issues Nos. 13.4 to 13.8:</u> There is no need to provide for any compensation mechanism for delay in making available the subscription figures for DTH. As stated above, there has been no occasion where a Broadcaster has made a complaint regarding delay from a DTH operator in making available the subscription figures. It is also an established law that the Regulations needs to step in when there is an occasion or need for the same. Accordingly, it is suggested that no such compensation mechanism is required to be put in place for DTH operators.

As regard the mechanism for difference in Audited and reported subscription figures, it is stated that in case the difference is less than 5%, the DTH operator may be required to pay the differential amount with interest at banking rate. However, if the difference is more than 5%, the DTH operator should be required to pay the differential with interest at bank rate and also bear the cost of the Audit.

With the provision of Technical and SMS Audit being provided for in the Regulations, there is no need to evolve a third party system for generation of reports. The industry can develop only when the Regulations provide for self-governing and self-regulations. Growth of a sector is also dependent on the trust between the various stake holders of the industry. It is imperative that Regulations should not provide for a large number of third party vendors to undertake the responsibilities which ideally should be undertaken by the stake holders.

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?

<u>Dish TV Response to Issue No. 14:</u> We would like to state that under the present regulatory framework the parties has prescribed the time period of 21 days as the time period which is required to be given for disconnection/suspension of channels. In our view this has worked well in the industry and all the other time period like 14 business days in case of piracy etc. has been taken as cure period. We see no reason for deviation from this.

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?
- 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 newspapers may be dropped?

<u>Dish TV Response:</u> We believe that the provision of publication of disconnection notices through the newspapers does not serve any purpose either to the consumers or to the stake holders. Most of the times, it noted or read by none and efforts are made to find out the publication where the same has been printed. When a channel is being removed by a DPO, the concerned subscribers are only those who are subscribing the channels through the said DPO. Accordingly, once the DPO has intimated the subscribers about the removal / disconnection of the channel through the scroll, it should be considered as sufficient compliance of the Regulations. The objective of the Regulation is to keep the subscribers informed and the best way to inform the

Response of Dish TV India Limited

subscribers is through the channels which they are watching. If provision of such disconnection is mandated through scrolls only as it will immediately catch the required attention of the interested viewer. While serving the purpose this will also save the amount spent by the parties for paper publication. Accordingly, the requirement that a DPO must publish the disconnection notice in the newspaper must be dispensed with. However, the Regulations must provide that such an intimation has to be given through the means of scroll and not through full blockage of the screen. The channel, till the time the same is available on the platform, should be available to the subscriber in the form and mode in which he can enjoy the same.
