DIRECTION

Dated: 8th November, 2017

Subject: Direction to Broadcasters and Distributor of Television Channels, under section 13, read with sub-clauses (ii) of clause (b) of sub-section (1) of section 11, of the Telecom Regulatory Authority of India Act, 1997, relating to display of television channels on landing LCN.

No. 12-37/2017-B&CS.--- Whereas the Telecom Regulatory Authority of India [hereinafter referred to as ‘the Authority’], established under sub-section (1) of section 3 of the Telecom Regulatory Authority of India Act, 1997 (24 of 1997) [hereinafter referred to as TRAI Act, 1997], has been entrusted to discharge certain functions, which inter-alia, include to regulate the telecommunication services; fix the terms and conditions of inter-connectivity between the service providers; ensure technical compatibility and effective inter-connection between different service providers; lay-down the standards of quality of service to be provided by the service providers and ensure the quality of service and conduct the periodical survey of such service provided by the service providers so as to protect interest of the consumers of telecommunication services;

2. And whereas the Central Government, in the Ministry of Communication and Information Technology (Department of Telecommunications), vide its notification No.39,---
   (a) issued in exercise of powers conferred upon the Central Government proviso to clause (k) of sub-section (1) of section 2 of the TRAI Act, 1997 and
   (b) published under notification number S.O.44(E) dated the 9th January, 2004 in the Gazette of India, Extraordinary, Part II, Section 3 – sub-section (ii)--- has notified broadcasting services and cable services to be telecommunication service;

3. And whereas the TRAI Act envisages to promote and ensure orderly growth of the sector.

4. And whereas the sub-clause (ii) of clause (b) of sub-section (1) of section 11 of the TRAI Act provides to fix the terms and conditions of interconnectivity between the service providers;

5. And whereas section 13 of the TRAI Act, 1997 read with notification No.39 of the Central Government, Ministry of Communication and Information Technology (Department of
Telecommunications), empowers the Authority to issue directions for discharge of its functions in the broadcasting and cable sector, and the same reads as under:

"The Authority may, for the discharge of its functions under sub-section (1) of section 11, issue such directions from time to time to the service providers, as it may consider necessary:

Provided that no direction under sub-section (4) of section 12 or under this section shall be issued except on the matters specified in clause (b) of subsection (1) of section 11";

6. And whereas, in industry parlance, the landing channel or the landing page refers to the Logical Channel Number (LCN) which is displayed first when the set top box is switched on;

7. And whereas, the landing page is, normally, used by the distributor of television channels for providing information to consumers and promotion of its distribution platforms;

8. And whereas the Authority has received a number of representations from stakeholders wherein it has been reported that the practice of placing a registered satellite TV channel, whose TV rating is released by TV rating agency, on the landing page has the potential to affect the viewership data of that channel, and therefore it is susceptible to influence the television audience measurements / television ratings;

9. And whereas the viewership data / television rating information of a channel plays a vital role in advertiser decisions and orderly growth of the sector;

10. And whereas the television ratings are given by the registered agency under “Policy Guidelines for Television Rating Agencies in India” dated 16th January, 2014 issued by the Ministry of Information and Broadcasting, and the said guidelines were formulated based on recommendations of the Authority;

11. And whereas the underlying spirit of policy guidelines for television ratings in India is to have accurate, credible, transparent and representative TV audience measurement;

12. And whereas the Authority has, on examination of the issue, reached the conclusion that placement of registered TV channel, whose TV rating is released by TV rating agency, on landing page may affect the orderly growth of the sector and is against the spirit of the said policy guidelines for TV ratings agencies and, therefore the same needs to be curbed, due to the following:-

(i) such practice captures viewership impressions, which are not due to natural choice of consumers, therefore susceptible to show higher television rating to the channel involved in such practice;
(ii) such practice is discriminatory in nature as it puts other broadcasters in disadvantageous position leading to a non-level playing field in the TV broadcasting sector and thus deviate from the basic ethos of interconnection i.e. non-discrimination and level playing field;
(iii) such practice is susceptible to false viewership data which creates market distortions; and
(iv) such practice is anti-consumer as it is against the rights of the consumer to have the accurate information about the viewership of channels which plays a role in choice of TV channels;

13. And whereas fixing the terms of interconnectivity between the service providers is one of the functions entrusted upon the Authority and placing of a channel on landing LCN is the issue relating to interconnectivity between broadcaster and distributor of the television channel, therefore, there is a need for intervention of the Authority in the matter;

14. Now, therefore, the Authority, in exercise of the powers conferred upon it under section 13, read with sub-clauses (ii) of clause (b) of sub-section (1) of section 11, of the Telecom Regulatory Authority of India Act, 1997 (24 of 1997), in order to protect the interest of service providers and consumers & ensure orderly growth of the sector, directs all the broadcasters and distributors of television channels, to restrain from placing any registered satellite television channel, whose TV rating is released by TV rating agency, on the landing LCN or landing channel or boot up screen within fifteen days from the date of issuance of this direction.

(S.M.K. Chandra)
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To,

All Broadcasters and Distributors of television channels