



**Response of
Hathway Digital Private
Limited on TRAI
Consultation Paper on
“Ease of Doing Business in
Broadcasting Sector”**



Date: 11/09/2017

To,
Mr. M. Kasim
Advisor (B&CS III)
Telecom Regulatory Authority of India (TRAI)
Mahanagar Doorsanchar Bhawan (next to Zakir Hussain College)
Jawaharlal Nehru Marg (Old Minto Road)
New Delhi: 110 002

Respected Sir,

We take this opportunity to congratulate Telecom Regulatory Authority of India (TRAI) for coming out with this consultation paper on "Ease of Doing Business in Broadcasting Sector"

This consultation is a welcome Step and would go a long way in streamlining the way the Broadcasting Sector functions.

We being the leading MSO in the country, would like to share our comments on Q.no. 9 & 10 as below:

Q9. What are the specific issues affecting ease of doing business in cable TV sector? What modifications are required to be made in the extant framework to address these issues? Give your comments with justification

Despite digitization of cable distribution network having been completed by the MIB, there seem to be many gaping holes which require immediate attention of the Regulator. In effect only 70-80% of the actual last mile network has been digitized leading to continuing violation of mandate of digitization by certain independent operators. We propose that the Authority along with the MIB should work closely with the Authorized Officers under the Cable Television Networks (Regulation) Act 1995 on making digitization effective and take strict action against those operators who are running unencrypted/ analogue signals.

Within the Distribution sector, there's a serious dearth of transparency and accountability in the ecosystem. This phenomenon has a serious impact on ease of business in broadcasting sector and the following points could be considered by the Authority to alleviate the situation:

- 1) If any distributor of TV Channel is found to be retransmitting signals in un – encrypted form then such distributor should not be entitled to any protection under the TRAI regulations and strict action like cancellation of his license should be undertaken. This would also create an environment of respect for regulations governing various stakeholders.
- 2) Local Cable Operator (LCO) migration from one Multi System Operator (MSO) to another without clearance of outstanding dues is a serious concern (referred to box "swapping").

Hathway Digital Private Limited

(Formerly known as Hathway Datacom Central Private Limited)

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Any merger/acquisition/amalgamation of any LCO by any MSO should be done with prior intimation to Authority. Such move would help in preventing the malpractice of LCOs swapping STBs as an excuse to avoid paying earlier distributors dues. Also, this would help in reducing litigation.

- 3) One of the major disputes between distributors and LCO is the revenue share. Hence the Model Interconnect agreement should provide for a range for revenue share between MSO and LCO's, preferable LCO share should be fixed between 40~50

Misuse by Broadcasters of provisions of Copyright Act

Supply of TV signals should only be governed by TRAI regulations and any disputes thereof should only be resolved in terms of the redressal mechanism provided under TRAI Act.

Interconnect agreement for supply of Television channel should be kept outside the scope of Copyright Act. Now a day's broadcasters resort to registering FIR for copyright infringement for supply of signals of television channel thereby coarsening distributors to enter into interconnect agreement on unreasonable terms.

We are in no way suggesting that copyright of the Broadcasters in the content is abridged, they should be free to initiate copyright action if any specific content of theirs are infringed outside the television channel linear broadcast. For linear transmission of television channel, no copyright action can be initiated if dispute arises then same should be dealt by TDSAT or TRAI. This will go a long way in bringing in transparency and non-discrimination in the value chain.

Q10. Is there a need to increase validity of LCO registration from one year? In your view, what should be the validity of LCO registration? Give your comments with justification.

Yes, the LCO registration period should be increased to minimum period of 5 years. The same shall provide execution of long term agreements and bring stability in the sector.

For Hathway Digital Private Limited



Niharika Matlani
Company Secretary



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