

Comments R B Sahajpal

Consultation Paper on

Issues related to Interconnection Regulation, 2017

Issues for Consultation

- 1. Do you think that the flexibility of defining the target market is being misused by the distribution platform operators for determining carriage fee? Provide requisite details and facts supported by documents/ data. If yes, please provide your comments on possible solution to address this issue?**

Ans. 1. This is a leading questions targeting those who are likely to say 'yes' to it. Notwithstanding this the comments follow without saying 'yes' or 'no' to the question.

Concept of defining a target market needs to be more precise. A pan India market or market spreading over a few states may be contiguous or not gives a lot of leverage to a distributor of providing service or denying service. The monitoring is also ambiguous and impractical. For example, DPO signals do overshoot PAN INDIA boundaries otherwise the issue of claimed smuggling of SET TOP Boxes outside national boundaries to view Indian channels will not arise. This can be precisely monitored by examining the foot prints of DPO downlink signals. Instead of defining target market geographically the same should be quantified in terms of Latitude-Longitude for ease of monitoring/dispute resolution. It is therefore suggested that:

- a) The target market of any distributor may be defined in Latitude- Longitude combination*
- b) DPO may declare their target market by providing Latitude-Longitude of foot prints of their downlink signals.*
- c) Declared target market area may be monitored with reference to declared Latitude-Longitude of operation.*
- d) Appropriate action should be taken to curtail the spillover of signals beyond National boundaries and be monitored with reference to declared Latitude-Longitude of operation so that footprints remain in National Boundary.*

2. Should there be a cap on the amount of carriage fee that a broadcaster may be required to pay to a DPO? If yes, what should be the amount of this cap and the basis of arriving at the same?

Ans. 2. This is a leading questions targeting those who are likely to say 'yes' to it. Notwithstanding this the comments follow while saying 'NO' to the question.

There should be no cap on carriage fee. Let that be decided by market forces with mutual interaction of all in the value chain including the customer if possible who pays for all. Any attempt in regulating carriage is prone to litigation. Only customer suffers in such a situation as mute spectator.

3. How should cost of carrying a channel may be determined both for DTH platform and MSO platform? Please provide detailed justification and facts supported by documents/ data.

Ans. 3. Kindly refer to Ans.2. above. In view of the same there is no need for costing a carriage fee.

4. Do you think that the right granted to the DPO to decline to carry a channel having a subscriber base less than 5% in the immediately preceding six months is likely to be misused? If yes, what can be done to prevent such misuse?

Ans. 4. This is a leading questions targeting those who are likely to say 'yes' to it. Notwithstanding this the comments follow while saying 'NO' to the question.

This clause should not be diluted for the following reasons:

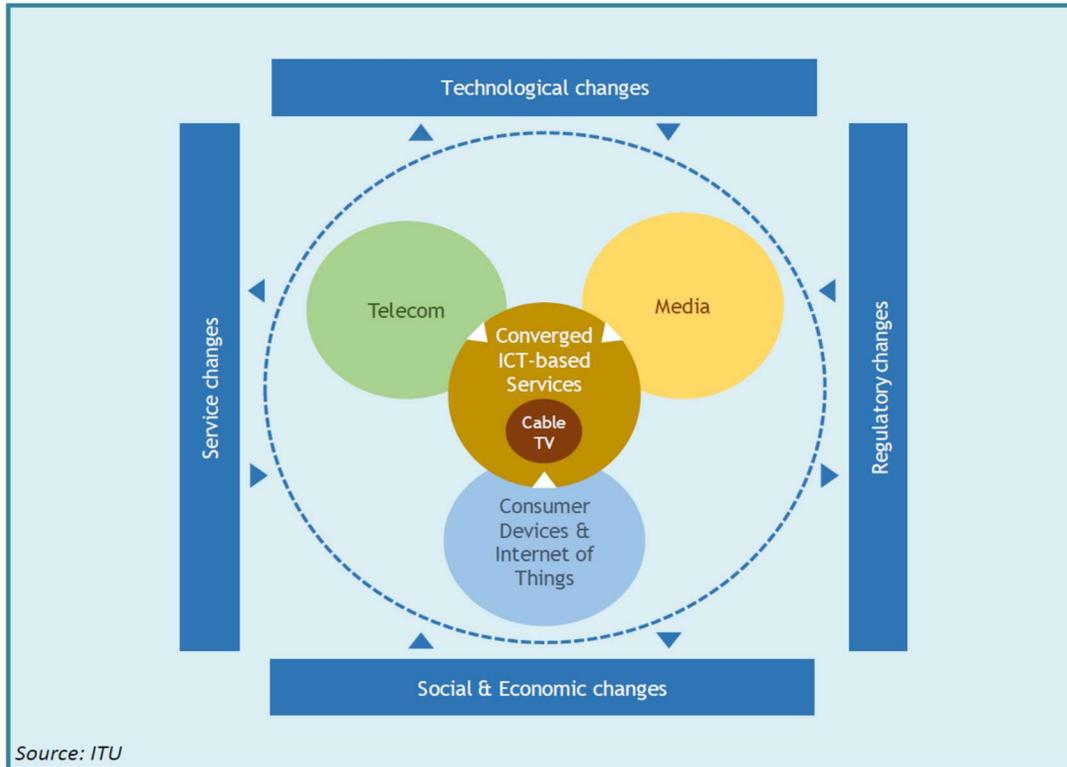
i)The target market for DPO is PAN India.

ii)Carrying channel by DPO using scarce natural resource SPACE SEGMENT which needs to be vacated at the first available opportunity for use by others who are using foreign satellites resulting in likely spill over beyond national boundaries with possible adverse effect like alleged STB smuggling.

iii)If viewership falls below the threshold the DPO is well within its right to deny carriage. That right should be protected

iv) The broadcaster should seek alternate options of carriage like OFC where viewer ship is available as per their own market study. The following may also be kept in view:

The Future of Cable TV



CABLE TV IN A CONVERGED MARKET

5. **Should there be a well defined framework for Interconnection Agreements for placement? Should placement fee be regulated? If yes, what should be the parameters for regulating such fee? Support your answer with industry data/reasons.**

Ans. 5. *This is a leading questions targeting those who are likely to say 'yes' to it. Notwithstanding this the comments follow while answering 'NO' to the question.*

*There should be no regulatory framework for interconnection agreements for placement. The placement fee need not be regulated. Let that be decided by market forces with mutual interaction of all in the value chain including the customer if possible who pays for all. Any attempt in regulating is prone to litigation. Only customer suffers in such a situation as mute spectator. In addition, please refer to item **iii)** in Ans. 9. below also.*

6. Do you think that the forbearance provided to the service providers for agreements related to placement, marketing or any other agreement is favoring DPOs ? Does such forbearance allow the service providers to distort the level playing field? Please provide facts and supporting data/documents for your answer(s).

*Ans. 6. Yes, for at least in respect of placement it is visible. For example, TATA SKY is using number space from 100 to 2032 for all channels where only 602 numbers are named. There is a genre named 'Special' all showing probably PS channel numbers starting with 110 and ending with 1909 spread all over with gaps in between. DD channel starting with 114 and ending with 1999 spread all over with gaps in between. Some mechanism/influence appears to be operating intrinsically regarding placement of channels in number space probably carriage charges/ placement charges. In addition, please refer to item **iii)** in Ans. 9. below also.*

7. Do you think that the Authority should intervene and regulate the interconnection agreements such as placement, marketing or other agreement in any name? Support your answer with justification?

*Ans. 7. Kindly refer to Ans.5. & Ans.6 above. In view of the same there is no need for intervention by TRAI for a regulation about the said purpose/purposes in any form/name. In addition, please refer to item **iii)** in Ans. 9 below also.*

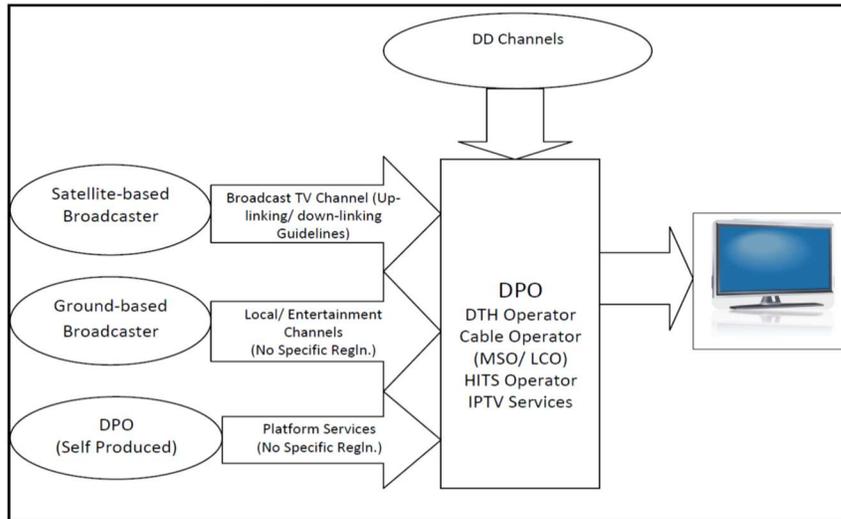
8. How can possibility of misuse of flexibility presently given to DPOs to enter into agreements such as marketing, placement or in any other name be curbed? Give your suggestions with justification.

*Ans. 8. Kindly refer to Ans.5 & Ans.6 above. In view of the same there is no need for intervention by TRAI for a regulation about the said purpose/purposes in any form/name. In addition, please refer to item **iii)** in Ans. 9 below also.*

9. Any other issue related to this consultation paper? Give your suggestion with justification.

Ans. 9. The following is for consideration:

Fig.1: TV Channels Distributed by DPOs



i)

Refer Fig.1 Source:(TRAIii) 19 November 2014) needs to be redone for reasons below:

a)DPO DTH operator has inputs from '4' sources-this may be reduced to '2'-satellite based broadcaster & DD channels only as its target area is PAN INDIA.Ground based broadcaster has regional target area and whenever it wants to extend its target area then it should use alternate source of transmission of other media like OFC,Coaxial separately or a combination of both.For OFC PON Networks may be used to limit power requirement at service provider end & customer premises only.This may apply both to existing channels if any and future channels.This is suggested to restore level playing field for all which got skewed in favour of TATA Sky with regard to availability of ISRO Transponders as per CAG Report No. 22 of 2014 and Press Report Department of Space gave 'certain benefits' to Tata Sky: CAG - The Economic Times BY PTI | UPDATED: NOV 28, 2014, 09.25 PM IST

Because of this others have to go to foreign satellites for their needs. By following this suggestion some transponders may get vacated by TATA Sky/other incumbants if any for use of other DPO DTH perator/Operators presently using foreign satellites probably having footprint beyond INDIA.This will also prevent alleged smuggling of STB outside INDIA.

b)DPO DTH platform services make the operator a broadcaster also which not only upsets the level playing field vis-à-vis-a satellite broadcaster but also reduces the availability of traspoder for the needs of a satellite based broadcaster.DPO DTH may close the existing PS services and no new PS services may be allowed. By following this suggestion some transponders may get vacated by TATA Sky/other incumbants if any for use of other DPO DTH Operator/Operators presently using foreign satellites probably having footprint beyond INDIA.This will also prevent alleged smuggling of STB outside INDIA.

ii) DPO DTH operators use different satellites, different compression techniques, different quality for channels like SD, HD or their combination, different rates for SD, HD channels, different unreasonable rates for multi TV premises at the cost of subscriber, varying channels/transponder ratio, varying foot prints some resulting in going beyond national boundary resulting in alleged smuggling of STB. This scenario also results in proprietary STB as part of CPE causing much discomfere to subscriber while choosing/changing a service provider. This also gives an impression that there is no regulatory frame work regarding manufacturing, mandatory testing & certification regarding broadcasting related equioment. It is hightime that:

a) Such a framework is in place ASAP.

b) Provision of CPE like Dish Antenna, Mounting, LNB, Connecting cable to STB and from STB to TV is delinked from service provider.

c) Provision of STB

x) May also be delinked from service provider

y) STB should be of generic nature so as to be neutral to any DPO DTH, MSO DTH

z) Service provider should provide a card with a chip compatible with neutral STB but specific to a customer for idetification of a service provider & customer and services requested by the customer with other necessary operational requirements.

d) Individual DTH service provider may be restricted to provide SD channels or HD only channels but not both for a particular channel to conserve space segment for satellite DTH service and spectrum for terrestrial DTH service for alternate use.

iii) It has been noticed that from different sources number, numbering, placement differ in case of channels of TATASKY

a) Channel list has listed channels 584

b) All channels displayed in TV are '602' using number space from 110 to 2032.

c) Transponder utilisation on INSAT 4A and GSAT 10 give many more channels some carrying no number. In such a scenario EPG does not seem to have any relevance. Any regulation will solve the riddle is beyond comprehension.

iv) Digital Dividend would have accrued from digitilisation of Terrestrial TV. This needs to be quantified and notified in public domain. TRAI Regulation/Regulations should contain details of inbuilt mechanism to monitor the issue continuously in real time for avoiding squatting of Broadcaster Sector on freed spectrum so that said spectrum could be put to use by other services needing the same.

Similarly the use of Transpoders of ISRO for broadcasting services by DTH DPOs' should be closely monitored for release of any Trasponder by incumbent user for use by those who are using foreign satellites for DTH services for optimum utilisation of resources and mitigating to some extent the alleged smuggling of STB outside India.