ALL INDIA DIGITAL CABLE FEDERATION

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25th April, 2016

Mr. S K Singhal Advisor (B&CS)

The Telecom Regulatory Authority of India Mahanagar Doorsanchar Bhawan, Jawahar Lal Nehru Marg, New Delhi - 110002

Sub: <u>AIDCFs response to Consultation on Register of Interconnect Agreements (Broadcasting & Cable Services) Regulations</u>, 2016

AIDCF (All India Digital Cable Federation) wishes to express its sincere gratitude to the Telecom Regulatory Authority of India (the Authority) for its support and cooperation in the establishment and growth of Broadcasting & Cable TV industry in India. The Federation further thanks the Authority for providing an opportunity to submit comments/ response on the Consultation Paper on "The Register of Interconnect Agreements (Broadcasting and Cable Services) Regulations, 2016" as issued by the Authority.

As stated by the Authority, the primary objective of draft regulations is to formulate the outlines of a reporting system for the service providers so that the service providers can report the details of Interconnection Agreements (Agreements) being executed to the Authority on timely basis including the commercial details. This would enable the Authority to maintain register of interconnect as per provisions of Telecom Regulatory Authority of India Act, 1997 and discharge other statutory functions.

As so contemplated and required in the draft regulations, it is being proposed that a Distributor of TV Channels including a Multi System Operator (MSO) should report to the Authority information relating to all Agreements entered into by it with other service providers including the Broadcasters on the one side and the Local Cable Operators (LCOs) on the other side.

The desired information is required in a prescribed format by the Authority in electronic form for all the Agreements which would be valid as on the date of commencement of the draft regulations and thereafter for new deals, by 10th of every month post commencement of the draft regulations on monthly basis. Further, such information so proposed to be submitted should also accompany a certificate from a Company Secretary and Authorized Representative of an MSO to the effect that all

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such agreements including modifications/ amendments etc. thereof being reported are in compliance to the applicable laws of the Authority.

In this regard, the Federation would like to state to the Authority that:

- 1. The Authority has recently come out with a consultation paper on tariff issues related to TV services for which consultation process and open houses have been recently completed. TRAI has come out with several models in the Consultation Paper wherein if any of these models gets implemented the need of register of inter connect agreements would be substantially decreased. Some broadcasters have also proposed for complete forbearance on whole sale pricing which will further change the need of such register, if such model is permitted.
- 2. We also understand that the Authority is likely to come out with model inter connect agreement between broadcasters and service providers. AIDCF would also want to study the same before providing any comments on the register of inter connect agreements. In our view, we need to study both the Tariff regulation and inter connect agreement between MSO and Broadcasters before commenting on the draft register of inter connect regulations.
- 3. The attention of the Authority is also invited to the Model Interconnection Agreement (MIA) & Standard Interconnect Agreement (SIA) as being prescribed vide "The Telecommunication (Broadcasting and Cable Services) Interconnection (Digital Addressable Cable Television Systems) (Seventh Amendment) Regulations, 2016 (3 of 2016) dated 15th March, 2016" as issued by the Authority. The said regulations are effective from 16th March, 2016 and in pursuance to the same, an MSO has to either sign the MIA or SIA with a LCO going forward.
- 4. The framework prescribed under the said regulations visualizes that an MSO and LCO may enter into the Agreement on lines of the MIA or by signing the Agreement strictly in terms of the SIA. The elasticity has been provided to the parties entering into the Agreement on the lines of MIA which is limited to Clauses 10, 11 and 12 of the MIA through mutual arrangement without altering or deleting any other clause of MIA. They also have a freedom to add additional clauses through mutual agreement to the MIA for stipulating any additional conditions. However, it has been mandated that the parties shall ensure that no such additions have the effect of diluting any of the conditions laid down in the MIA.

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Further, if the parties decide to enter into the Agreement on the terms of SIA, no addition, alteration and deletion of the clauses provided therein is allowed.

5. It is respectfully submitted that in any event, the deals taking place between an MSO and the LCOs would only be confined to the standards/ parameters which are pre-defined in MIA or the SIA going forward and their formats are already available on the website of the Authority and thus, are in public domain. In such a scenario, extracting required information only for the purpose of reporting under the proposed draft regulations from such pre-defined agreements would only amount to duplicity of work and would further put unwarranted efforts on the part of MSOs.

We hope and believe that the Authority will accommodate this request of ours. As an industry we have always co-operated and received indulgence from Authority for the healthy growth of this sector. AIDCF and its members would like to reiterate their faith in the regulatory exercise and sincerely believe that more time is required before commenting on such imperative issue involving all sectors of the industry. We would also like to seek appointment with the Authority on this issue any time next week to come and explain our stand in person.

Thanking you,

Yours truly,

Saharsh Damani

Secretary General

All India Digital Cable Federation (AIDCF)