

Consultation Paper No. 07/2014



TELECOM REGULATORY AUTHORITY OF INDIA



Asianet's suggestions on the consultation paper



Issue for Consultation

1. Do you agree with the definition for platform services proposed in paragraph 1.6? If not, please suggest an alternative definition. Please elaborate your response with full justification.

Asianet's point of view

Platform services (PS) are programs transmitted by MSOs for their own subscribers and also to subscribers of other MSOs under mutual agreement. PS programmes play a very important role in bringing the neighbourhood flavour to their customers & interconnection of PS programmes among MSOs will allow customers to view their favourite programmes.

2. Kindly provide comments on the following aspects related to programs to be permitted on PS channels:

1. PS channels cannot transmit/ include

- 2.1.1. Any news and/or current affairs programs,

- 2.1.2. Coverage of political events of any nature,

- 2.1.3. Any program that is/ has been transmitted by any Doordarshan channels or TV channels permitted under uplinking/ downlinking guidelines, including serials and reality shows,

- 2.1.4. International, National and State level sport events/ tournament/ games like IPL, Ranji trophy, etc.

- Asianet's point of view

- MSO channels play a very important role in bringing neighbourhood news & events to their customers. The focus on good news content from MSOs is on panchayat, taluk & district level news. Many customers look forward to the MSO channel news telecasts to know their neighbourhood news.
- MSO channels cover elections at the panchayat & corporation level & provide very important exposure to the panchayat members & corporators.
- MSO news highlights the problems & sufferings of citizens & civic authorities are forced to act as a result of public enlightenment. MSO news helps in improving civic infrastructure by highlighting the problem areas, thereby providing valuable feedback to the civic administration.

- MSO news channels telecast important public events like panchayat & corporation budgets, thereby bringing their neighbourhood plans to customer homes.
- We also find that many local news videos are already on the internet & restricting MSOs from telecasting news will only serve in curtailing information.
- Considering the above points, Asianet strongly feels that MSO channels should be allowed to telecast news
- We also find that many MSO channels produce high quality content like reality shows, serials etc, themselves or through their external production houses. Content can also be syndicated from other satellite channels under licencing arrangements. There should be no restriction on the telecast of such genuine & licenced content by MSO channels.
- MSO channels telecast a lot of local sports events which generate lot of interest among the customers & such telecasts go a long way in promoting local talent also.
- They should not be deprived of a chance to bid for telecast rights of bigger sports content also if they are able to do the same.

3. What should be periodicity of review to ensure that the PS is not trespassing into the domain of regular TV broadcasters?

Asianet's point of view

- It is suggested that in this open economy & globalised environment, the MIB should Encourage MSO channels to develop their content and provide good content to their customers instead of limiting their reach. It may also be noted that the internet is full of content in news & entertainment & there should be no restrictions on MSOs.

4. Should it be mandatory for all DPOs to be registered as Companies under the Companies Act to be allowed to operate PS? If not, how to ensure uniform legal status for all DPOs?

Asianet's point of view

- Asianet is o.k with this idea

5. Views, if any, on FDI limits?

Asianet's point of view

- MIB may fix a cap of 26% FDI for MSOs wanting to operate news & general entertainment categories.
- The FDI cap may be increased to 49% once the same is allowed for news channels operating in the satellite stream.

6. Should there be any minimum net-worth requirement for offering PS channels? If yes, then what should it be?

Asianet's point of view

- MSOs have invested huge amounts in setting up digital headends and in set top Boxes for subscribers. Huge investments will be further required for software upgrades also. Considering the same, it may be assumed that MSOs are very serious & responsible players & they will be very responsible in their channel operations also.
- The transition from analog to digital required huge investments with only future returns for the MSOs. Many of them are therefore servicing huge debts & have become negative asset companies for the time being. It is therefore suggested that the net worth clause may be not applied for MSO channels.
- Channel operations also allow a breather to MSOs who are servicing huge debts to fund their digital transitions.

7. Do you agree that PS channels should also be subjected to same security clearances/conditions, as applicable for private satellite TV channels?

Asianet's point of view

- The DAS licence has been issued to MSOs after subjecting them to security clearances & conditions & as such we feel that the same should be adequate for the MSO channels also. However, those MSOs who have been given DAS licences without the security clearances & conditions may be subjected to the same.

8. For the PS channels to be registered with MIB through an online process, what should be the period of validity of registration and annual fee per channel?

Asianet's point of view

- Asianet welcomes the online registration process & the validity of registration as 10 years with an option for auto renewal for another 10 years.
- Auto renewal may be reviewed for those channels which have violated norms despite warnings served to them
- Annual registration fees may be not considered as the geographies of operation of MSO channels are limited.

9. What is your proposal for renewal of permission?

Asianet's point of view

- Auto renewal may be reviewed for those channels which have violated norms despite warnings served to them

10. Should there be any limits in terms of geographical area for PS channels? If yes what should be these limits. Please elaborate your response with justifications.

Cap on total number of PS channels operated by DPO

Asianet's point of view

- We feel that there should not be any restriction on the geographical areas for MSO channels. As mentioned earlier, MSO channels bring the neighbourhood flavour to their customers. Many customers in different geographies would like to get the neighbourhood news of their hometowns as for example a trivandrum person from Bangalore would like to get the news on Trivandrum which can be serviced only by an MSO channel. Asianet has also received such requests & from MSOs in Karnataka & Delhi.
- Some MSO channels also operate more professionally than even some satellite channels & such interconnects will only help in reaching good content to the customers.
- We also feel that 10% of the number of channels carried or 20 channels, whichever is lower will be a suggested way forward on the total number of channels to be carried.

11. Should there be a limit on the number of PS channels which can be operated by a DPO? If yes, then what should be the limit?

Other obligations of DPO

Asianet's point of view

- We also feel that 10% of the number of channels carried or 20 channels, whichever is lower will be a suggested way forward on the total number of channels to be carried.

12. Do you have any comments on the following obligations/ restrictions on DPOs:

12.1 Non-transferability of registration for PS without prior approval of MIB;

Asianet's point of view

- We agree that registration should not be allowed to be transferred without the approval of MIB

12.2 Prohibition from interconnecting with other distribution networks for re-transmission of PS i.e. cannot share or allow the re-transmission of the PS channel to another DPO; and

Asianet's point of view

- We feel that there should not be any restriction on the geographical areas for MSO channels. As mentioned earlier, MSO channels bring the neighbourhood flavour to their customers. Many customers in different geographies would like to get the neighbourhood news of their hometowns as for example a trivandrum person from Bangalore would like to get the news on Trivandrum which can be serviced only by an MSO channel. Asianet has also received such requests & from MSOs in Karnataka & Delhi.
- We suggest that interconnects between MSOs may be undertaken with proper agreements & with intimation to MIB.

12.3 Compliance with the Programme & Advertisement Code and TRAI's Regulations pertaining to QoS and complaint redressal.

Asianet's point of view

- We agree with this point

13. What other obligations/ restrictions need to be imposed on DPOs for offering PS?

14. Should DPO be permitted to re-transmit already permitted and operational FM radio channels under suitable arrangement with FM operator? If yes, then should there be any restrictions including on the number of FM radio channels that may be re-transmitted by a DPO?

Asianet's point of view

- We suggest that there should not be any restriction in the retransmission of FM radio channels. Some of the popular FM radio channels can now be offered to customers in different geographies which will only benefit the customers.

15. Please suggest the mechanism for monitoring of PS channel.

Asianet's point of view

- We suggest that a 30 day programme record should suffice for MSO channels. This is considering the fact that quite a lot of investment will be required for procuring the servers & the programme saving software.

16. Do you agree that similar penal provisions as imposed on TV Broadcasters for violation of the terms and conditions of their permissions may also be imposed on PS? If not, please suggest alternative provisions with full justification.

Amendments in the existing provisions

Asianet's point of view

- Asianet suggests that the penal provisions be watered down significantly as the geographies of operation for MSO channels are limited & damages if any will also be limited to the said geographies.

17. What amendments and additional terms & conditions are required in the existing registration/ guidelines/ permission/ license agreements w.r.t. DPOs for regulating the PS channels?

Time for adoption of new regulatory Framework

Asianet's point of view

- We suggest a time period of 12 months to be compliant with the regulatory framework in case they are amended & time is required.

18. What should be the time limit that should be granted to DPOs for registration of the existing PS channels and bring them in conformity

with the proposed regulatory framework once it is notified by MIB?

Asianet's point of view

- We suggest a time period of 12 months to be compliant with the regulatory framework once the same are notified by the MIB.

Dear Sir

We are from Asianet Satellite communications Ltd. The MSO from kerala. We are hereby giving our suggestions on the consultation paper on PS channels from TRAI in the attachment.

Regards
Abraham Uthup
Vice President