

F.No. 1/7/1-2014-PMU(DAS)
Government of India
Ministry of Information and Broadcasting
A-Wing, Shastri Bhawan, New Delhi

Dated the 23rd April, 2015.

Subject: Minutes of the 7th meeting of the Task Force on implementation of Digital Addressable System in Cable TV Network in Phase – III & IV held on 20.04.2015.

Please find enclosed a copy of the minutes of the 7th meeting of the Task Force on the implementation of Phase – III & IV of Cable TV Digitization held on 20.04.2015 under the Chairmanship of Additional Secretary, Ministry of Information Broadcasting, for information and necessary action.

Encl: As above.

Pathak
23.4.15
(Anil Pathak)
Assistant Engineer (DAS)
☎ 23381478

To,

[All Members of the Task Force including those present]

Copy to:

- I. PPS to Secretary, I&B
- II. PPS to Additional Secretary, I&B
- III. PPS to Joint Secretary (B-I).
- IV. Director (BP&L)
- V. Advisor (DAS)
- VI. Dy. Secretary (DAS)

MINUTES OF 7TH TASK FORCE MEETING ON IMPLEMENTATION OF DIGITAL ADDRESSABLE SYSTEM IN CABLE TV NETWORK IN PHASE III & IV HELD ON 20.04.2015

The 7th meeting of the Task Force on implementation of phases III & IV of digital addressable system in cable TV network was held on 20.04.2015 under the chairpersonship of Additional Secretary. List of the participants is annexed.

2. Welcoming the members the Chairperson thanked them for attending the meeting despite short notice for preponement of the meeting. He wanted to know the progress on the signing of interconnect agreements for phase III areas after the meeting held by TRAI with the broadcasters and MSOs on this issue on 18.3.2015. He mentioned that the issue was crucial for new MSOs as well as existing MSOs who are not able to firm up and finalize their plan in phase III areas.

3. Representative of MSOs made the following points:

- i. IMCL has sent requests to all broadcasters as per TRAI directive. They have received response from one broadcaster only so far.
- ii. Siticable had sent repeated reminders to all broadcasters. There has not been any positive response from them so far. It was mentioned that broadcasters are filing cases of piracy against MSOs if they start providing digital signal in the phase III areas.
- iii. GTPL is in discussions with broadcasters but nothing concrete has been reached so far.
- iv. Hathway is in talks with all broadcasters with regard to interconnect agreements.
- v. MSOs pointed out that the situation is critical and TRAI must take immediate necessary action to get the issue resolved.
- vi. They also mentioned that the entertainment tax levied by State Governments should be rationalized.

4. Representatives of broadcasters made the following points on the issue of interconnect agreements;

- i. Meetings with MSOs are going in right direction.
- ii. Broadcasters shall approach TRAI for clarification on the interconnect agreements to be signed for the transition period.
- iii. No such issues of interconnect agreements were raised during phase I and phase II of digitisation and the set top boxes were still seeded. Why these issues are raised now?
- iv. There are concerns on the HITS platform of delivery with regard to addressability although it is mentioned that it is addressable from the day one.
- v. Broadcasters are of the opinion that DAS regulations should apply from the date MSO takes digital signal

5. TRAI representative informed that TRAI has set 30th April 2015 as deadline for broadcasters and MSOs for entering into MoUs with regard to interconnect agreements. He informed that based on the decision in the meeting in TRAI, Ministry had also asked all MSOs to send their EoI (Expression of interest) to broadcasters by 15th April 2015. He further informed that they had asked broadcasters to provide information regarding status of interconnection requests received by them from MSOs in respect of phase III areas. He further informed that TRAI had received letters from 5 MSOs along with the copies of the letters written by them to broadcasters for phase III areas. He added that in case broadcasters and MSOs fail to reach an agreement, regulations provide for intervention by TRAI in the matter. He mentioned that Broadcasters were asked to give report every fortnight but the same has not started coming. He also mentioned that in the transition period both analogue as well as digital signals can be provided by the MSOs in phase III areas. He added that as per the regulations digital signal can be provided in areas undergoing transition without waiting for the cutoff date.

6. Chairperson remarked that though there has been some progress on the issue of interconnect agreements for phase III areas but there are still lot of areas which need to be addressed by broadcasters. He added that the consumer has every right to know what he has to pay for the digital signal. So, it is imperative that broadcasters and MSOs work out agreements between them without further loss of time. He added that the channel package rates have to be in public domain. He stated that time is now of great essence and broadcasters must now finalise all issues with MSOs so as to have a lead time of implementation.

Chairman said that interconnect agreements were critical and need to be put in place quickly now. While the universe for Phase I and II was extremely limited, Phase III has to cover all the urban areas of the country. This would thus require exhaustive planning along with suitable investments.

He said that both broadcasters and MSOs must now finalise their agreements and inform TRAI within the stipulated time period of 30.4.2015. He suggested that TRAI should convene a meeting soon after the time period it has given for finalizing the action plan for smooth and timely transition.

7. Chairperson expressed dissatisfaction over the public awareness campaign for digitisation in phase III areas carried out by the stakeholders so far. He asked all the stakeholders and particularly the broadcasters to start the publicity campaign forthwith. He remarked that all the stakeholders are to get benefitted by digitisation.

8. Task Force was informed of the following requests received for additional representation in the Task Force:

- i. IBF
- ii. Noida Software Technology Park (NSTPL) and Grant Investrade as HITS operator
- iii. Broadband India Forum
- iv. Federation of Indian Micro, Small and Medium Enterprises

- v. All India Digital Cable Federation (AIDCF) as MSO Alliance has merged with it, Siti Cable and Ortel Communication.
 - a. Siti Cable was asked as to why they applied as a separate representative in Task Force when it is already a member of AIDCF. They stated that since only one member of erstwhile MSO Alliance was member of Task Force they were not certain that they would get a chance to be member of Task Force. It was decided that 4 national MSOs, namely Den, Siti Cable, Hathway and IMCL, who were also members of MSO Alliance, may be taken as Task Force members for AIDCF.
 - b. With regard to request from Federation of Indian Micro, Small and Medium Enterprises, it was decided that the Ministry may ascertain the activities of the organization from the Ministry of MSME before taking any decision on their request.
 - c. Broadband India Forum was not decided for inclusion as the activities of the forum were not deemed to be related to cable digitisation.
 - d. It was also consensually agreed that the following additions may also be made:
 - i. IBF- one additional member
 - ii. NBA - one additional member
 - iii. Noida Software Technology Park as member representing HITS Operator
 - iv. Ortel Communication to represent Orissa.

9. Task Force was informed that Provisional registration in Phase-I & Phase -II was granted for operating in Phase-I and/or Phase-II by the cut-off date. Some of the MSOs did not operationalize by the cut-off date, therefore, their provisional registration for those cities where they could not operationalize was cancelled. They were also not given permanent registration for the cities where they had failed to operationalise. But some of the MSOs whose provisional registration for some Phase -I & Phase -II cities has been cancelled, have approached the Ministry for grant of registration even for the cities where their provisional registration was cancelled and/or permanent registration was not granted.

Task Force members agreed that applicant should be permitted to re-apply for MSO registration even for the areas /cities where their provisional registration was cancelled and /or permanent registration was not granted. As per current rules, security clearance of MHA would however be necessary.

10. LCO representative from Assam mentioned that the LCOs in North East are in general lacking in information on cable TV digitisation. He wanted that in the interests of faster digitisation workshops on cable digitisation be held in North East. He wanted to know the rights of the local cable operators. TRAI representative informed that TRAI web site has Do's and Don'ts and 'frequently Asked Questions (FAQs)' on cable digitisation that can be accessed by the local cable operators to know their rights and duties. He added that TRAI has planned workshops in Bhopal, Bhubneshwar and

Ahmedabad. Chairperson mentioned that TRAI should give priority to plan workshops in North East immediately.

11. Chairperson reminded the representatives of IBF and NBA that the data on carriage fee and subscription revenue was still awaited from them. Representative NBA assured that it will be sent before the next meeting.

12. Chairperson enquired the status of holding workshops. ASSOCHAM representative pointed out that they would soon send the proposal to Ministry.

13. Chairperson wanted to know about the initiatives by MSOs to try and use indigenously manufactured STBs. Representative of MSOs informed that they are in dialogue with the indigenous STB manufacturers. Representative of CEAMA informed that they had fruitful discussions with some MSOs in which they made some financing offers to them for the supply of set top boxes. He mentioned that they are in discussion with some financial institutions also in this regard. Representative of CEAMA further added that they are now facing a major competition from the suppliers of ASEAN countries since the Government, as per the ASEAN agreement signed in 2009, has reduced the import duty on STBs imported from ASEAN countries to 2% only against 10% from other countries. He said that MSOs may neglect local STB manufacturers and start importing from ASEAN countries. This will be against 'Make in India' initiative of the Government. He requested MIB to look into this issue and added that they are also writing to the Ministry of Commerce about this development. In order to know the use of indigenously manufactured STBs, Chairperson directed that the information on utilization of domestically manufactured STBs may also be sought from all MSOs along with the seeding plans.

14. Concluding the meeting, Chairperson mentioned that time was fast running out and the Task Force has the onerous responsibility to ensure progress and timely completion of phase III of digitisation by the cutoff date. He suggested broadcasters and MSOs not to let any issue come in the way of digitisation and try to resolve these through dialogue rather than intervention by TRAI or Ministry. He reminded the members that this was the solemn duty of the Task Force to ensure successful and timely completion of digitisation everywhere in the country.

Meeting ended with vote of thanks to the chair.

List of participants of 7th Task Force meeting held on 20.04.2015

1. Mr. Jitendera Shankar Mathur Additional Secretary (Chairperson)
2. Ms. R.Jaya Joint Secretary (B-1)
3. Mr. Yogendra Pal Advisor (DAS)
4. Mr. Shanker Lal Deputy Director (DAS)
5. Mr. Rajesh Meena Representative of Doordarshan
6. Mr. S.K.Marwah Representative of Department of Electronics & IT
7. Mr. G.S.Kesarwani Representative of TRAI
8. Mr. Amit Kharabanda Representative of CEAMA
9. Mr. Rakesh Sharma Representative of ARTBI
10. Mr. A.Mohan Representative of IBF
11. Mr. Shaji Mathews Representative of independent MSOs,
GTPL Ahmedabad
12. Mr. Subhashish Mazumdar Representative of IMCL
13. Mr. N.K.Rouse Representative of IMCL
14. Mr. Pulak Bagchi Representative of ASSOCHAM
15. Mr. Ashish Malik Representative of ASSOCHAM
16. Ms. Annie Joseph Representative of NBA
17. Mr. S.K.Singh Representative of ASSOCHAM
18. Mr. Anil Malhotra Representative of Siticable Networks
19. Mr. C.N.Suresh Babu Representative of independent MSO, Karnataka
20. Mr. Sunil Jolly Representative of LCO Association, U.P
21. Mr. Ajay Singh Representative of Hathway Cable & Datacom
22. Mr. Anil Malhotra Representative of Siticable
23. Mr. Suresh Amesar Representative of IBF (Viacom 18)
24. Ms. Hema Suri Representative of Den Networks
25. Md. Iquebal Ahmed Representative of LCO Association, Assam
26. Mr. Guru Raja Rao Representative of IBF (MSM)
