

Comments on the consultation paper
on
TARIFF ISSUES RELATED TO TV SERVICES
29TH JANUARY' 2016

1. It has been observed that broadcasters are utilising more time for advertising than on the content of their channels, which is against the Cable TV Regulations Act and TRAI guidelines. This affects our viewership, and hence a cause of concern to us. TRAI has not so far taken any serious note of this and has not penalise even a single erratic Broadcaster.
2. The competition among the Broadcasters has gradually disappeared, and lots of consultations have taken place resulting into unethical practices. A few Broadcasters have garnered a large chunk of content providing it as a linear TV on preferential rates to a few DPOs' (Larger MSOs') and choking small, localised independent MSOs'. No parity among the rates charged from larger MSOs' and that of from the smaller independent MSOs'. A sort of nexus has emerged between a few Broadcasters and a few large MSOs' causing serious damage to independent small MSOs' business which is very unhealthy and shall cause serious damage to the independence of the distribution industry from the clutches of this nexus, resulting in ultimate damage to the very purpose of media freedom and the free flow of information to the general public at an affordable cost.
3. It has been required time and again that TRAI, should publish a draft RIO which should act as a template and should include all the offerings ; that are possible for a Broadcaster e.g. rates of A-LA-Carte, Bouquets, Offers, CPS, Fixed Price deals, discounts, incentives and any other contractual matter. No Broadcaster should be allowed to deviate from this template, which should be published at its website and no agreements should exist outside this regime between the Broadcaster and any MSO, small or big. Once an agreement is signed between a Broadcaster and an MSO it must be filed and registered with TRAI. Who should internally and confidentially examined that there is no undue discrimination between the large and the small MSOs'.
4. The agreement between the Broadcaster and the MSO should be valid for the entire territory covered by the MSO license and effect must be clearly mentioned in the agreement. No separate agreement should be insisted upon different territories since the same must be covered in one single agreement with whatever rates have been agreed between the broadcaster and the MSO. Broadcasters sometimes harass MSO by delay tactics, for signing agreements with the MSOs' for various territories by way of lodging complaints for "IPR", violation with the local police stations, incidents have been reported in this regard.
5. Harassment by the Broadcasters to the MSO is also being caused by the broadcaster in the name of audit, wherein, they insist of such information which either does not exist with the MSO or which is available within the system, that is normally seen by them but requires additional data processing efforts which are time consuming and unnecessary as well as infectious. The

scope of audit must therefore, be clearly defined and TRAI should lay down the guidelines in this regard.

6. It is humbly submitted that last mile access /network owned, operated and maintained by the LCO, involves CAPEX/OPEX, and there has the cost for recovering this investment. Similarly, setting up a Headend for receiving the content from the Broadcaster and then distributing it over the high speed, high bandwidth mostly through optical fiber network, from one place to many places also involves huge investment on CAPEX and OPEX by the MSOs' besides MSOs' have to depend upon NLDOs' for additional bandwidth, between the cities and towns for which MSO faces substantial charges with a misnomer that DTH operator pays for the satellite bandwidth and the MSO probably does not have to pay any charges towards carrying a signal from one place to another. All DPOs' have to spend for the infrastructure they create to distribute multimedia and therefore must be treated alike.

Point wise comments for issues to be discussed in the consultation paper :

1. Regulated RIO Model- Pricing of broadcasters bouquet/a-la-carte, of all the genres must be uniform for all DPOs'. All the offers of the broadcasters must be covered under Regulated RIO model.

2. All broadcasters pay TV channels are mandatory to provide to customers MRP on a-la carte or bouquet basis of their channels so that customers can choose any channel/bouquet
- It will bring the uniformity and transparency.

In case of FTA Channels its mandated that the price of FTA channel will be uniform and the price should be decided by the regulator.

In case of BST the price should be decided by the regulator (price of Rs 100/- which was decided in 2012 should be revised also).

3. Transparency and non discrimination requirement will be fulfilled by above suggested models. We also suggest that all the offers/scheme/discounts/marketing placement benefits must be uniform for all DPOs' and in public domain. By this new players will get an easy entry in this business and broadcaster income will also increase, and LCOs'/customers will get a better choice.

4. Once the above suggested models are implemented all the pricing models will be in public domain and uniform and easily accessible by any consumer for references. Consumer can choose and budget accordingly.

5. Distribution Network Model - First Preference

Flexi MRP Model - Second Preference, Pricing and revenue sharing of channel (s), or bouquets must be regulated by the regulator and published in Public domain.

6. The above suggested pricing models should be regulated by the regulator, and uniform in nature regulator can also cap the discount on the MRP.
7. Once the above suggested models are implemented all the pricing models will be in public domain and uniform and easily accessible by any consumer for references. Consumer can choose and budget accordingly.
8. Yes
9. TRP, Volume, Revenue, quality of service and territories, cross share holding, vertical integration of top players.
10. No.
11. Minimum RIO price.
12. Yes
13. No.
14. Pricing at whole sale level must be regulated by the regulator, and all the whole sale offers from the broadcaster must be uniform for DPOs' and in public domain.
15. Regulated RIO with price cap.
16. Maximum 2-5%.
17. Once in 2-3 years (it will be confusing for the consumer to keep a track of it)
18. All the discounts offers should be on the basis of no. of channels offered by DPOs' regulated by regulator with a cap and uniform for all the DPOs' and must be in public domain.
19. 2-5%.
20. Advertisement free channels.
21. No. Price must be regulated by the regulator.
22. 2-3 years
23. Content of niche channel and its costing must be monitored by the regulator.
24. On the basis of content to be regulated by the regulator.

25. If content of SD and HD channel is 40% same, consumer has right to choose any format and price of both the formats must be same as content cost of the broadcaster and DPOs' should allowed, to charge 30% extra as band width charges.(in many countryies there is no concept of SD or HD channels with same content)
26. covered in "25"
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28. Yes, consumer may choose the pay/FTA channels according their choice and budget.
29. All the pay channels /bouquets MRP must be uniform by regulator and all the DPOs' should offer uniformly and discounts by DPOs' are also regulated by regulator.
30. By on line and through handheld devices. With the help of digital India.
31. Yes, based on Volume, nature of content, infrastructural cost of DPOs' and territory and should be offered to all the DPOs' of same territory uniformly .
32. In the digital scenario cost of head end and distribution infrastructure bandwidth (IP bandwidth hired from telcos) plays a major role, and costs heavily to all the DPOs' to subsidised these costs carriage must be permitted.
33. Yes Rs. 2-5/- per subscriber/month (Vary from territory to territory, broadcaster clearly define carriage fee per STB as per territory)
34. No, if no. of subscribers increase the advertisement revenue of channel will also increase.
35. Yes, stake holders should offer their card rate regulated by the regulator.
36. If the content of any 2 channels is similar above 40% the such channels must be defined as cloned channels. Tariff of such channels must be same and consumer must have choice to choose any channel. In bouquets offered by the broadcaster/DPOs' should not include any clone channel (Broadcaster creates these clone channels to protect his advertisement market, this will help other broadcasters in safeguarding their advertisement revenue).
37. yes
38. It will help the consumer about the nature and quality of content of the channel and in subscribing the desired channels.
39. Not feasible, apart from top DPOs' other players have o invest heavily on technology and manpower and it will create the extra burden on small/upcoming MSOs' in DAS III /IV.
40. Yes with regulated prices.

41. we in principle agree to the issue but it is not the right time to implement the same as it will create hurdles and extra cost for the new upcoming DPOs'/MSOs' in DAS III and IV areas.

42. Other suggestions: As mentioned in the introductory note.

By transparency in the system it will help in increase the revenue of the applicable taxes. with the transparency even the revenue of the broadcasters will increase.