

26th August, 2013

Mr. WASI AHMED – Advisor (B & CS)
Telecom Regulatory Authority of India
MahanagarDoorsancharBhawan
Jawaharlal Nehru Marg

New Delhi – 110002

Dear Sir

Re: <u>Consultation Paper on Distribution of TV Channels from Broadcasters to Platform Operators</u>

The DTH Association comprising of the six DTH Service Providers, in response to the captioned Consultation Paper submit as under.

We welcome the endeavour of the Hon Authority to come out with the captioned Consultation Paper. We agree with the proposed Regulation and support the same. We certainly believe the proposed regulation will create a level playing field among all stakeholders.

Aggregators, on behalf of multiple broadcasters, offer bouquets created by arbitrarily blending channels of different genres, to DTH service providers, without considering the feasibility of its carriage on their platforms. Thus DTH operators are often saddled with a mix of popular channels that the customers are wanting to watch and willing to pay for with many unwanted and unnecessary channels. This kind of arbitrary bundling of channels creates unjust and undue advantage to content providers vis-à-vis the DTH service providers and even subscribers and also leads to an inefficient utilization of scarce transponder resources.



These offerings are then coupled with the a la carte rates/bouquet rates arbitrarily determined by the aggregator which adds to the further misery for DTH service providers. The DTH service providers has no choice but to subscribe to these bouquets and in turn force their customers to subscribers to bouquets that do not necessarily represent popular customer need but the greed of the aggregators.

The Hon. Authority has rightly mentioned in the explanatory memorandum that the Aggregators wield substantial negotiating power which can be, and is often misused and lead to several market distortions. It is in this context that we would welcome the regulation and would welcome its implementation in letter & spirit.

We would further like to emphasize the direct negotiations and understanding between the broadcaster and DTH service provider will benefit the consumers at large inasmuch as there will always be clarity as to the nature of channels and their RIO rates without reference to any third party involved in the process.

Also the direct understanding between the Broadcasters and DTH Operator will ensure the continuity of the contracts already in place for the Channels of the Broadcasters, which otherwise become invalid when an aggregator takes over the distribution of the Channels. This will benefit the Consumers as many a times DTH Operators are forced to change the composition of their packages



after these channels are taken over by aggregators and existing distribution contracts annulled.

The demarcations as mentioned in the proposed regulations are absolutely justified and would serve the right purpose of creating a level playing field in the market.

The proposed stipulation that the aggregators will not bundle bouquet or channels of the broadcaster with the bouquet or channels of the other broadcaster is welcome as this will ensure clarity about packages in the minds of the end subscriber and eliminate any confusion with respect to the rates on offer.

We therefore request the Hon. Authority to enforce the captioned regulations and rid the market of prevalent monopolistic practices.

It will not be out of place to mention here that certain areas like High Definition and Advertisement Free Channels are still left out of the purview of the regulation in the nature of the proposed one inasmuch as the Aggregators of such feed extract unreasonably exorbitant subscription fee from DTH. It is in this light we would like to urge the Hon Authority to explore this situation wherein we can have regulation in place in respect of such High Definition feed as well to control unfair trade practices being deployed. It will not be out of place to mention here that regulating the wholesale tariff and leaving retail



tariff to the market forces is the key panacea for many issues prevailing in the market.

In view of the above we share our support to the captioned and proposed regulations and trust this would usher in an era of parity for all.

We would request the Hon Authority to kindly grant us audience, if it feels necessary, on any suitable date and time in order enable us to further elucidate the advantages of the captioned and proposed regulation.

Thanking you,

Yours Sincerely,

for DTH Operators Association of India

Harit Nagpal

President