

COMMENTS OF EENADU TELEVISION PRIVATE LIMITED
TO
TELECOM REGULATORY AUTHORITY OF INDIA'S CONSULTATION PAPER
ON REVIEW OF REGULATORY FRAME WORK FOR
BROADCASTING AND CABLE SERVICES DATED
08-08-2023

To
Shri Anil Kumar Bhardwaj,
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Respected Sir,

Eenadu Television Private Limited's comments to Telecom Regulatory Authority of India's ("TRAI" / "Authority") consultation paper dated 08-August-2023 on Review of Regulatory Framework for Broadcasting and Cable services

At the outset, Eenadu Television Private Limited ("ETPL") takes this opportunity to thank the Authority for allowing stakeholders to submit their comments on issues raised in consultation paper on Review of Regulatory Framework for Broadcasting and Cable services ("Consultation Paper"), which issued by Authority on 08-August-2023. Please find below ETPLs comments on issued raised under Section A, B & D for consultation by the Authority in the Consultation Paper:

A. Tariff related issues

- Q1. Should the present ceiling of Rs.130/- on NCF be reviewed and revised?**
- If yes, please provide justification for the review and revision.
 - If yes, please also suggest the methodology and provide details of calculation to arrive at such revised ceiling price.
 - If not, provide reasons with justification as to why NCF should not be revised.
 - Should TRAI consider and remove the NCF capping?

ETPL Response

DPOs can provide more precise comments on this issue. However, we are of the opinion that quantum and pricing of NCF should be left open for market forces to decide based on actual cost incurred by DPO to deliver the services. Further, in the interest of consumer / end user the Authority may suggest upper capping limit on NCF so that there is some amount of control on the NCF charged by DPOs. The present ceiling of Rs. 130/- can be continued with a provision to review / revise the prescribed ceiling every 2 years (or any period as the Authority may deem fit) and can be linked with corresponding inflationary hike.

- Q2. Should TRAI follow any indices (like CPI/WPI/GDP Deflator) for revision of NCF on a periodic basis to arrive at the revised ceiling? If yes, what should be the periodicity and index? Please provide your comments with detailed justification.**

ETPL Response

Please refer to our comment in Q1 above.

- Q3. Whether DPOs should be allowed to have variable NCF for different bouquets / plans for and within a state/ City/ Town/ Village? If yes, should there be some defined parameters for such variable NCF? Please provide detailed reasons/ justification. Will there be any adverse impact on any stakeholder, if variable NCF is considered?**

ETPL Response

We suggest that NCF should be uniform for the sake of clarity & transparency. However, DPOs may be allowed to offer non-discriminatory discount based on pre-defined parameters.

- Q4. Should TRAI revise the current provision that NCF for 2nd TV connection and onwards in multi-TV homes should not be more than 40% of declared NCF per additional TV?**
- If yes, provide suggestions on quantitative rationale to be followed to arrive at an optimal discount rate.**
 - If no, why? Please provide justification for not reconsidering the discount.**
 - Should TRAI consider removing the NCF capping for multi TV homes? Please provide justification?**

ETPL Response

DPOs can provide more precise comments on this issue, we do not any comments on this issue from broadcaster's perspective.

- Q5. In the case of multi-TV homes, should the pay television channels for each additional TV connection be also made available at a discounted price?**
- If yes, please suggest the quantum of discount on MRP of television channel/ Bouquet for 2nd and subsequent television connection in a multi-TV home. Does multi-TV home or single TV home make a difference to the broadcaster? What mechanism should be available to pay-channel broadcasters to verify the number of subscribers reported for multi-TV homes?**
 - If not, the reasons thereof?**

ETPL Response

It is respectfully submitted that, operationally it shall be very difficult to figure out homes with multi-TV connections. Even today broadcasters are facing challenges to get correct and accurate monthly subscriber reports from DPOs in the prescribed format. Kind attention of the Authority is being drawn towards general / common compliant of the industry regarding non-receipt of either subscriber reports and/or annual audit report as prescribed by the Authority under the Interconnection Regulations.

In view of the above-mentioned issues, it shall be very difficult for broadcasters to identify such homes / subscribers who have multiple connection in one home. It is also observed that in urban areas many families reside in same bulding having comman door number or area coordinates. Thus, we humbly request the Authority that before proceeding ahead with any such proposition it must be ensured that each and every digital addressable system deployed by DPOs is compliant to the specification prescribed under the extant regulations and regular audit is being conducted of such systems so as to verify compliance of the systems. We further submit that in order to identify multi-TV homes the SMS shall be capable enough to generate report area / locality wise with installation address of each STB mentioned therein with unique consumer ID provided therein to identify multi-TV homes. With the current advancement in technology, every set top box can be equipped with location tracing mechanism so as to ascertain multi-TV home connections.

We would like to humbly submit that we are not in favour of offering of discount on additional TV connection in multi-TV home is not possible.

- Q6. Is there a need to review the ceiling on discount on sum of MRP of a-la-carte channels in a bouquet (as prescribed through the second proviso to clause 4 (4) of the Tariff Order 2017) while fixing the MRP of that bouquet by DPOs?**
- a. If yes, what should be the ceiling on such discount? Justify with reasons.
 - b. If not, why? Please provide justification for not reviewing the ceiling

ETPL Response

We humbly submit that the Authority shall now look at allowing complete forbearance in pricing of channel by Broadcaster and DPOs without any capping and ceiling. Till such time the provisions of extant regulations are serving their purpose so they may not be altered at this stage.

- Q7. Whether the total channel carrying capacity of a DPO be defined in terms of bandwidth (in MBPS) assigned to specific channel(s). If yes, what should be the quantum of bandwidth assigned to SD and HD channels. Please provide your comments with proper justification and examples.**

ETPL Response

We suggest that this is broader issue and need separate consultation with detail review of facts, since it will have major impact to the available bandwidth offered by DPOs.

- Q8. Whether the extant prescribed HD/SD ratio which treats 1HD channel equivalent to 2SD channels for the purpose of counting number of channels in NCF should also be reviewed?**
- If yes, should there be a ratio/quantum? Or alternatively should each channel be considered as one channel irrespective of its type (HD or SD or any other type like 4K channel)? Justify with reasons.**
 - If no, please justify your response.**

ETPL Response

Please refer to our submission to Q7 above.

- Q9. What measures should be taken to ensure similar reception quality to subscribers for similar genre of channels? Please suggest the parameter(s) that should be monitored/ checked to ensure that no television channel is discriminated against by a DPO. Please provide detailed response with technical details and justification.**

ETPL Response

All channels shall be treated on non-discriminatory basis by the DPOs, all channel shall be allocated with similar bandwidth to ensure that there is no signal / quality loss during transmission of such channel.

- Q10. Should there be a provision to mandatorily provide the Free to Air News / Non-News / Newly Launched channels available on the platform of a DPO to all the subscribers?**
- If yes, please provide your justification for the same with detailed terms and conditions.**
 - If not, please substantiate your response with detailed reasoning.**

ETPL Response

The basic intent behind implementation of new regulatory framework by the Authority is to enable viewer / subscriber to choose what they want to view. Thus, it shall be left open for consumer to choose and any mandatory offering condition may not be imposed.

Q11. Should Tariff Order 2017, Interconnection Regulations 2017 and Quality of Service Regulations 2017 be made applicable to nonaddressable distribution platforms such as DD Free Dish also?

ETPL Response

We humbly submit that the said matter has already been deliberated at various instances and matter is sub-judice with Hon'ble Supreme Court of India so shall wait for the apex court to decide on the matter. Further, we also suggest that this is a broader issue and need separate consultation putting forth all issues in detail. However we are of the opinion that Tariff Order 2017, Interconnection Regulations 2017 and Quality of Service Regulations 2017 shall be made applicable to all distribution platforms including DD Free Dish.

Q12. Should the channels available on DD Free Dish platform be mandatorily made available as Free to Air Channels for all the platforms including all the DPOs?

ETPL Response

Please refer to our comments to Q.11

Q13. Whether there is a need to consider upgradation of DD Free Dish as an addressable platform? If yes, what technology/ mechanism is suggested for making all the STBs addressable? What would be the cost implications for existing and new consumers? Elaborate the suggested migration methodology with suggested time-period for proposed plan. Please provide your response, with justification.

ETPL Response

Please refer to our comments to Q.11. In addition to that we would like to submit that DD Free Dish shall be upgraded to an addressable platform and the Authority may choose to implement the same mechanism as has been done during DAS implementation for cable industry with a hard sunset date for non-addressable system of Free Dish. This will enable the consumer of Free Dish to get quality transmission and also actual subscriber numbers can be ascertained. Upgrading Free Dish will also bring in parity to all players of the industry and will provide equal opportunity and level playing field to all DPOs.

B. Interconnection related issues

Q14. In case of amendment to the RIO by the broadcaster, the extant provision provides an option to DPO to continue with the unamended RIO agreement. Should this option continue to be available for the DPO?

- a. If yes, how the issue of differential pricing of television channel by different DPOs be addressed?
- b. If no, then how should the business continuity interest of DPO be protected?

ETPL Response

We humbly submit that DPOs should not be provided with an option to continue with old RIO. The provisions of the extant regulations already provide ample time to DPOs to execute the new amended RIO and to incorporate appropriate changes in their systems in this regard. It shall be mandatory that upon receipt of notice about amendment in RIO by DPO / Broadcaster every party having existing agreement shall come forward and execute new interconnection agreement based on the amended RIO. We also suggest that in event any party fails to execute new agreement then the regulation shall provide for automatic renewal of such agreement on the basis of amended RIO in order to maintain business continuity without causing any hardship to end consumer.

Q15. Sometimes, the amendment in RIO becomes expedient due to amendment in extant Regulation/ Tariff order. Should such amendment of RIO be treated in a different manner? Please elaborate and provide full justification for your comment.

ETPL Response

We submit that for any kind of amendment to RIO the parties to existing contract shall mandatorily execute new agreement on the basis of amended RIO.

Q16. Should it be mandated that the validity of any RIO issued by a broadcaster or DPO may be for say 1 year and all the Interconnection agreement may end on a common date say 31st December every year. Please justify your response.

ETPL Response

We welcome the suggestion of the Authority to have common end date to each agreement, however, ensuring minimum validity of 1 Year simultaneously in each case may not be possible since all agreements cannot be executed on same date also there may be instances where new agreement(s) gets executed mid-year. Thus, we humbly request the Authority shall emphasise on having common end date of all agreement without prescribing for minimum validity period.

Q17. Should flexibility be given to DPOs for listing of channels in EPG?

- a. If yes, how should the interest of broadcasters (especially small ones) be safeguarded?
- b. If no, what criteria should be followed so that it promotes level playing field and safeguard interest of each stakeholder?

ETPL Response

The provision of extant regulations provides enough flexibility to DPOs for deciding and sequencing channels on the EPG of their platform. The present circumstances do not warrant any additional flexibility to be given DPOs as it will result in hardship to consumer to find out the channel, they want to view on the EPG of DPOs. There has been certain reported instance of moving channel out of genre and / or language, thus the Authority shall intimate DPOs for strict compliance the regulatory provisions in the interest of consumers.

Q18. Since MIB generally gives permission to a channel in multiple languages, how the placement of such channels may be regulated so that interests of all stakeholders are protected?

ETPL Response

Please refer to our response in Q.17 above. In addition, we submit that only for multi-lingual channels DPOs may be allowed to place channels in such language group which is based on the majority language spoken in their area of operation, i.e., state wise listing can be

allowed. Eg. For the state of Maharashtra if any channel is being offered in multiple language which includes Marathi then DPOs shall be allowed to place this particular channel along with other Marathi language channels in the applicable genre.

Q19. Should the revenue share between an MSO (including HITS Operator) and LCO as prescribed in Standard Interconnect Agreement be considered for a review?

- a. If yes:
 - i. Should the current revenue share on NCF be considered for a revision?
 - ii. Should the regulations prescribe revenue share on other revenue components like Distribution Fee for Pay Channels, Discount on pay channels etc.? Please list all the revenue components along-with the suggested revenue share that should accrue to LCO.

Please provide quantitative calculations made for arriving at suggested revenue share along-with detailed comments / justification.

- b. If no, please justify your comments.

ETPL Response

DPOs can provide more precise comments on this issue, we do not any comments on this issue from broadcaster's perspective.

Q20. Should there be review of capping on carriage fee?

- a. If yes, how much it should be so that the interests of all stakeholders be safeguarded. Please provide rationale along with supporting data for the same.
- b. If no, please justify how the interest of all stakeholders especially the small broadcasters can be safeguarded?

ETPL Response

We suggest that the Authority should consider to allow complete forbearance since the industry is now mature enough to decide the carriage cost. This will give enough flexibility to the stakeholder to decide the amount of carriage to be paid based on target audience, revenue being generated by each party. This will also help small broadcasters to survive as they would not have to pay for entire subscriber base of the DPO even if the target audience for their channel is limited to certain geography out of the entire universe of such DPO.

In the present scenario DPOs are free to declare target market of their network, and on the basis of such declaration of DPO broadcasters are required to pay channel for the entire number of subscribers of such DPO in the declared target market, irrespective of the fact that weather its channel is relevant for such a large subscriber base. Particular regional channel and small broadcaster are suffering due to such provision since they are compelled to pay hefty carriage.

Till the time Authority allow complete forbearance, it may think of such mechanism for calculation of the amount of carriage to be paid which shall be based on actual target audience for the channel, i.e., on the basis of the genre and language of such channel out of the target market declared by the DPO.

- Q21. To increase penetration of HD channels, should the rate of carriage fee on HD channels and the cap on carriage fee on HD channels may be reduced. If yes, please specify the modified rate of carriage fee and the cap on carriage fee on HD channels. Please support your response with proper justification.**

ETPL Response

Please refer to our response to Q.20 above

**Q22. Should TRAI consider removing capping on carriage fee for introducing forbearance?
Please justify your response.**

ETPL Response

Please refer to our response to Q.20 above

Q23. In respect of DPO's RIO based agreement, if the broadcaster and DPO fail to enter into new interconnection agreement before the expiry of the existing agreement, the extant Interconnection Regulation provide that if the parties fail to enter into new agreement, DPO shall not discontinue carrying a television channel, if the signals of such television channel remain available for distribution and the monthly subscription percentage for that television channel is more than twenty percent of the monthly average active subscriber base in the target market. Does this specified percentage of 20 percent need a review? If yes, what should be the revised prescribed percentage of the monthly average active subscriber base of DPO. Please provide justification for your response.

ETPL Response

We suggest that the prescribed threshold of 20 percent need to be revised, since for regional and small broadcaster this number has proven to be hard to achieve and they are prone to mercy of DPOs in such scenario. We suggest that this threshold percentage can be different for national and regional channels. For regional channel the Authority can be pleased to maintain 3% threshold limit,

C. Quality of Service related issues

Q24. Whether the extant charges prescribed under the 'QoS Regulations' need any modification required for the same? If yes, justify with detailed explanation for the review of:

- a. Installation and Activation Charges for a new connection
- b. Temporary suspension of broadcasting services
- c. Visiting Charge in respect of registered complaint in the case of DTH services
- d. Relocation of connection
- e. Any other charges that need to be reviewed or prescribed.

ETPL Response

We suggest that at this juncture no further modifications are needed, thus the Authority shall continue with the extant provisions.

Q25. Should TRAI consider removing capping on the above-mentioned charges for introducing forbearance? Please justify your response.

ETPL Response

Please refer to our response to Q.24 above

Q26. Whether the Electronic Programme Guide (EPG) for consumer convenience should display

- a. MRP only
- b. MRP with DRP alongside
- c. DRP only?

Justify your response by giving appropriate explanations.

ETPL Response

MRP with DRP alongside should be mentioned so that the consumer is aware about quantum of discount offered by DPOs on MRP (if any).

Q27. What periodicity should be adopted in the case of pre-paid billing system. Please comment with detailed justification.

ETPL Response

Please refer to our response to Q.24 above

Q28. Should the current periodicity for submitting subscriber channel viewership information to broadcasters be reviewed to ensure that the viewership data of every subscriber, even those who opt for the channel even for a day, is included in the reports? Please provide your comments in detail.

ETPL Response

Please refer to our response to Q.24 above

Q29. MIB in its guidelines in respect of Platform Services has *inter-alia* stated the following:

- a. The Platform Services Channels shall be categorised under the genre 'Platform Services' in the EPG.
- b. Respective MRP of the platform service shall be displayed in the EPG against each platform service.
- c. The DPO shall provide an option of activation /deactivation of platform services.

In view of above, you are requested to provide your comments for suitable incorporation of the above mentioned or any other provisions w.r.t. Platform Services channels of DPOs in the 'QoS Regulations'.

ETPL Response

We submit that in line with guidelines of MIB, Platform Services should be categorised under specific and separate genre to be named as "Platform Services" in the EPG of DPO's distribution platform and its MRP should be categorically mentioned therein. Any of the Platform Services offered by DPOs should not be allowed to be placed along with television channels of Broadcaster so as to enable end user amongst Broadcaster's television channel or Platform Services offered by DPOs.

Q30. Is there a need to re-evaluate the provisions outlined in the 'QoS Regulations' in respect of:

- a. Toll-free customer care number
 - b. Establishment of website
 - c. Consumer Corner
 - d. Subscriber Corner
 - e. Manual of Practice
 - f. Any other provision that needs to be re-assessed
- Please justify your comments with detailed explanations.

D. Financial Disincentive

Q31. Should a financial disincentive be levied in case a service provider is found in violation of any provisions of Tariff Order, Interconnection Regulations and Quality of Service Regulations?

- a. If yes, please provide answers to the following questions:
 - i. What should be the amount of financial disincentive for respective service provider? Should there be a category of major/ minor violations for prescription of differential financial disincentive? Please provide list of such violation and category thereof. Please provide justification for your response.
 - ii. How much time should be provided to the service provider to comply with regulation and payment of financial disincentive. and taking with extant regulations/tariff order?
 - iii. In case the service provider does not comply within the stipulated time how much additional financial disincentive should be levied? Should there be a provision to levy interest on delayed payment of Financial Disincentive?
 1. If yes, what should be the interest rate?
 2. In no, what other measures should be taken to ensure recovery of financial disincentive and regulatory compliance?

- iv. In case of loss to the consumer due to violation, how the consumer may be compensated for such default?
- v. If no, then how should it be ensured that the service provider complies with the provisions of Tariff Order, Interconnection Regulations and Quality of Service Regulations?

ETPL Response

We submit that the Authority should impose suitable financial disincentive for non-compliance by DPOs of the provisions of extant regulation which shall inter-alia include non-signing / timely renewal of interconnection agreement, non-compliance with provision of placement of channel in applicable genre/language, non-submission of timely audit report, non-submission of monthly subscriber report, etc.

Thanking You,

Yours Faithfully,
For Eenadu Television Private Limited



Ch Chowdary M
Authorised Signatory