

To

The Chairman TRAI

Dellhi

Sub : Response to Tariff Order

Respected Sir,

In response to the 8<sup>th</sup> Tariff Order (Addressable System) 2016. I'd like to bring in to your kind notice that you've recognized 4stake holders in the Broadcasting & Cable Services segment but in this Tariff order, I found except the 1<sup>st</sup> one-Broadcasters, all the stake holders are deprived.

Stake holder 2 & 3, The Multi Service Operator referred as MSO & the Local Cable Operator referred as LCO were enjoying 65% of pay channel revenue in the previous tariff orders,

which has come down to 20% by an unknown reason.

As you know, the “pillars of this industry” was laid by the LCOs only in absence of all others. & Stake holder 4, The subscribers are deprived in this order by paying a huge toll against the option to choose channels which was the primary motto of digitization, nothing additional.

This huge toll can be proven by comparing the pricing of the channels a current package of any MSO with the recent tariff.

I'd like to bring into your kind notice that, this DTH empowering tariff order may lead to unemployment of hundreds of thousands of LCOs & their under privileged ground staffs.

I'd also like to bring two things into your kind notice that

**Non Discrimination** has always been your priority, in the process you should keep into your mind that with the insistence of your office 1000 MSO licenses has been issued, after crossing a huge entry barrier many of them have just entered into providing services, they are the silver line of the industry. As a new start up they should enjoy some privileges which is not seen anywhere in your system, moreover we came to know that there will be a huge incentive for MSOs over 5lakh connections (Though didn't found in the order). If so it will be a huge discrimination & spoil the level playing field.

Next is **Cross Media Holding**, your office had been repeatedly against this but this holding is

going on in various capacities. I.e. Broadcasting houses are in ground distribution platforms. You have stopped aggregator system, a big thanks on behalf of all stake holders. But distributors are still existing & different MSOs in regional level are making life hard for their competitors by virtue of that. (for reference Sony Pictures & VXL negotiations in Kolkata can be taken).

Last but not the least Broadcasters are earning huge from the **Advertising Revenue**. Ad cap case is under the court, so I don't want to go in detail but alike Ground Rates & Carriage there should be a capping in Ad rates, from where the office can assume the income & such discrimination in pay channel revenue (Broadcaster 80: MSO+LCO 20) should not arise.

Therefore my input is to revise the pay channel revenue sharing for the LCOs as well as MSOs which will turn up economic viewing for our valued subscribers, who are paying for the entire industry.

In my opinion, Profit sharing should be in old pattern of TRAI means 65% (MSO+LCO) of pay channels and 35% for Broadcasters. For free channels in basic tiers you declared Rs. 130/-, 80% should be for LCO and 20% for MSO because carriage money, channel shifting, local channel's profit, etc. enjoying by MSO and Broadcasters will get profit 35% for their pay channels.

Thanking you,

Arup Kumar Roy (LCO)

Gopalpur Cable Link,

Durgapur, West Bengal.