

Cable Operators Federation of India

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Dated: 31 July 2015

The Chairman
Telecom Regulatory Authority of India
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Sub: Comments on TRAI Consultation Paper on Tariff Issues Related to Broadcasting and Cable TV Services for Commercial Subscribers Issued on 14 July 2015

Sir,

Ref above mentioned Consultation Paper dated 14 July 2015 on Tariff issues related to Broadcasting and Cable TV Services for Commercial Subscribers.

Our comments on the issues raised in the Consultation Paper are given in subsequent paras.

Issue 1. Is there a need to define and differentiate between domestic subscribers and commercial subscribers for provision of TV signals?

Comments

There is no need to differentiate between domestic subscribers and commercial subscribers in the digital regime as each STB is a subscriber and is accounted for. Also no special service is given by broadcasters to viewers in the commercial establishments, so they can be treated as ordinary subscribers.

There is also no need to consider analogue cable for the purpose of this consultation as the government mandate wants the analogue switch off in Phase III areas by 31 December 2015 and rest of India by the end of next year. Even if it is delayed a little, it should not matter to Pay broadcasters as all TRP towns are already digitized and the work is going on in rest of India. In any case, the broadcasters' rates for the analogue subscribers are already very inflated and bulk deals always put the broadcasters in a better position due to their power to negotiate by switching off their signals.

Issue 2. In case such a classification of TV subscribers is needed, what should be the basis or criterion amongst either from those discussed above or otherwise? Please give detailed justification in support of your comments.

Comments

No classification is required as explained above. The Commercial establishments who wish to have their own digital headends may get registered with the MIB separately after due negotiations with the broadcasters as done by the MSOs.

Issue 3. Is there a need to review the existing tariff framework (both at wholesale and retail levels) to cater for commercial subscribers for TV services provided through addressable systems and non-addressable systems?

Comments

No, already explained above.

Issue 4. Is there is a need to have a different tariff framework for commercial subscribers (both at wholesale and retail levels)? In case the answer to this question is in the positive, what should be the suggested tariff framework for commercial subscribers (both at wholesale and retail levels)? Please provide the rationale and justification with your reply.

Comments

No separate tariff framework is required.

Issue 5. Is the present framework adequate to ensure transparency and accountability in the value chain to effectively minimise disputes and conflicts among stakeholders?

It is a well known fact that the process of digitization that started four years ago has not achieved any of the objectives for the consumers for whom it was designed. TRAI as well as the government has failed in bringing any transparency and accountability in the system. All tariff orders and regulations have been challenged in the courts and any effort to modify anything at this stage will cause further confusion.

Comments

Issue 6. In case you perceive the present framework to be inadequate, what should be the practical and implementable mechanism so as to ensure transparency and accountability in the value chain?

Comments

Practical and implementable mechanism is to ensure every broadcaster list the MRP of each channel and a-la-carte distribution is implemented in true spirit. TRAI should be

empowered to take action against any broadcaster or MSO who violate the rules. Since there are no market forces and consumers are totally confused about the digital regime, TRAI cannot leave any matter to the stake holders. We always believe that a well regulated environment must be created and implemented for at least five years before the industry is left to face any market force.

Issue 7. Is there a need to enable engagement of broadcasters in the determination of retail tariffs for commercial subscribers on a case-to-case basis?

Comments

As explained above, there should be no separate tariff for commercial subscribers. All commercial subscribers who have their own digital headends can negotiate deals with the broadcasters directly after getting registered with the Ministry. Even negotiations are not required as each STB can be accounted for and charged as per the RIO rates.

- a) Where own headend is installed- Broadcaster can directly negotiate as per the RIO based on MRP fixed by TRAI.
- b) Where services are provided by the DPO: Let Broadcaster negotiate with the DPO in whose area the commercial establishment is situated, as per the RIO. Broadcaster should not identify the DPO for the establishment. Let the commercial subscriber decide which DPO should provide him the services as per mutually agreed terms.

Issue 8. How can it be ensured that TV signal feed is not misused for commercial purposes wherein the signal has been provided for non-commercial purpose?

Comments

When there is no difference between domestic and commercial rates, this issue becomes irrelevant. Misuse of signals has to be tackled by the broadcasters or MSOs in a legal way on case to case basis. Regulators' intervention is not required as all entities having headends are registered separately as suggested above.

Issue 9. Any other suggestion which you feel is relevant in this matter. Please provide your comments with full justification.

Comments

No

Yours Faithfully,

(Roop Sharma)
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