

# **DELHI DISTRIBUTION CO.**

**Office No. 2, First Floor, Local Shopping Centre, Uday Park, New Delhi – 1100 49**

12<sup>th</sup> May, 10

**Subodh Kumar Gupta,**  
**Advisor (B&CS)**  
Telecom Regulatory Authority of India  
Mahanagar Doorsanchar Bhawan,  
Jawahar Lal Nehru Marg,  
New Delhi-110 002

Dear Sir

We are putting up the following comments regarding tariff related issues

**1. Should there be only two broad tariff regulatory frameworks, one for analogue non-addressable (Non-CAS) and another for digital addressable systems.**

There should be 3 systems:

One for CAS Zone, second for non-CAS zone and third for Digital Addressable Systems (like DTH, IPTV, Mobile TV etc.). Because in CAS, Cable TV Operator provides there services in small geographical area eg. In Delhi 1.98 lacs STBs were installed by 7-8 MSOs and approx. 300 LCOs. These LCOs/MSOs provides tailor made low cost services to subscribers.

**2. If yes, should such a framework be same for wholesale and retail.**

The present framework is fine for wholesale and retail.

**4. Should usage of STB be mandated in CAS notified areas for viewing both FTA and pay channels?**

No, all subscribers/customers doesn't purchase STBs. They have no buying power, even some of them can't afford rent of STBs. More than 50% customers are not using STBs in present CAS notified area in 4 metro cities is the example. Some customers thought if they installed STB, their electricity bill will go up by at least Rs. 50/- for which also they don't have the budget. Some customers have black and white TV or 6-8 channels old color tv, they don't have money to upgrade their TV or buy a new TV or STB.

**5. Which of following method should be used to regulate the tariff ceilings for basic service tier in CAS notified areas?**

**a. By providing periodic inflation linked adjustment in the present ceiling of Rs.82/- (excluding taxes) per subscriber per month.**

Yes this is the best method.

**6. Which of following method should be used to regulate the retail tariff for pay**

**channels in CAS notified areas?**

**a. By providing periodic inflation linked adjustment in the present ceiling of Rs.5.35/- (excluding taxes) per pay channel per subscriber per month.**

Yes this is the best method and all the subscribers, LCOs, MSOs and Broadcasters are familiar with this method.

**b. Single ceiling across all genres. If so, what should be that ceiling?**

Single ceiling across all genres should be the same.

**7. Should a relation between a-la-carte and bouquet price be prescribed to prevent perverse pricing? If, so what should be the relation? Should it be different for broadcaster and MSO?**

No Comments

**8. How should the retail tariff for advertisement free channels be regulated in CAS notified areas? Should it be different from other pay channels?**

Yes, double the price Rs. 10.75/- per pay channel.

**9. How should the retail tariff for niche channels which requires specialised STB be regulated in CAS notified areas? Should it be different from other pay channels?**

Yes, double the price Rs. 10.75/- per pay channel.

**10. Should there be any provision of minimum period of subscription for pay channels? If, yes, what should be that period?**

Yes, the minimum period of 30 days per pay channel, because subscriber/customer doesn't understand the 4 months lock in period, so they don't pay LCOs accordingly and LCOs lose money in that system.

**11. How should the tariff for supply of STB be regulated?**

**b. Left to the market forces.**

Yes, it should be left to the market forces because subscribers has an option for other platforms like 6 DTH Cos, 2-3 IPTV Cos. Also more MSOs are entering in the industry, so heavy competition is there.

**c. Any other method which you would like to suggest.**

Left it on the market forces, it will help MSOs/LCOs to introduce new technology/upgraded STBs in the market and prices for the same will be based on competitive forces.

STB is the third party equipment and no one give more than one year guarantee/warranty for any electric equipment to the customers, then why should MSO/LCO give more than one year warranty/guarantee to the customers and lose money.

**12. How should the sharing of revenue from pay channels subscription between**

**broadcaster, MSO and LCO be regulated?**

**a. Continue with the present arrangement. If so, should there be any modification?**

Yes, continue with the present system, no modification is required.

**b. Left to the market forces**

Yes, left it to the market forces.

**14. Any other related issue, you would like to comment upon or suggest.**

Implement the CAS in all 3 metro cities-Delhi, Mumbai and Kolkata to the extent of 100% not in part of metro cities. The benefit of CAS should be extended to all the subscribers of these metro cities. As per Court order also, CAS was to be implemented in 100% area of metro cities not in part. CAS implementation helps in reducing and stopping the piracy also. All broadcasters wants digitalization in the country which was also discussed in last uplinking meeting. TRAI can implement CAS in all the 3 metro cities one by one in a gap of 6 months.

Thanking you

**For Delhi Distribution Co.**

**Ravi Gupta (Prop.)**

09810499760

**17<sup>th</sup> May, 2010**

**Subodh Kumar Gupta,**  
**Advisor (B&CS)**  
Telecom Regulatory Authority of India  
Mahanagar Doorsanchar Bhawan,  
Jawahar Lal Nehru Marg,  
New Delhi-110 002

Dear Sir

We had sent you a letter dated 12<sup>th</sup> May, 2010 and acknowledge receipt no. is 6431. In question no. 1, we had mistakenly written one for non CAS and second for non CAS, please read it as one for CAS and second for Non Cas

The complete answer for questin no. one is :

**1. Should there be only two broad tariff regulatory frameworks, one for analogue non-addressable (Non-CAS) and another for digital addressable systems.**

There should be 3 systems:

One for **CAS Zone**, second for non-CAS zone and third for Digital Addressable Systems (like DTH, IPTV, Mobile TV etc.). Because in CAS, Cable TV Operator provides there services in small geographical area eg. In Delhi 1.98 lacs STBs were installed by 7-8 MSOs and approx. 300 LCOs. These LCOs/MSOs provides tailor made low cost services to subscribers.

Thanking you

**For Delhi Distribution Co.**

**Ravi Gupta (Prop.)**

09810499760