

NDTV response to the below:

- (i) DRAFT TELECOMMUNICATION (BROADCASTING AND CABLE SERVICES) INTERCONNECTION (ADDRESSABLE SYSTEMS) REGULATIONS, 2016 (hereinafter the “Regulations”); and
 - (ii) THE TELECOMMUNICATION (BROADCASTING AND CABLE SERVICES) (EIGHTH) (ADDRESSABLE SYSTEMS) TARIFF ORDER, 2016 (hereinafter the “Tariff Order”); and
 - (iii) THE STANDARDS OF QUALITY OF SERVICE AND CONSUMER PROTECTION (DIGITAL ADDRESSABLE SYSTEMS) REGULATIONS, 2016 (hereinafter the “said QoS”)
1. TRAI must ensure that the Digital Addressable System (DAS) is implemented and comes into effect by December 2016 as stipulated across the entire country **including the cities of Chennai, Hyderabad & Rest of Tamil Nadu.**
 2. Regulations, Tariff Order and QoS should be implemented only after DAS is completely implemented.
 3. After the Regulation, Tariff Order and QoS come into effect “Status Quo” should be maintained in respect of the LCN allotted to any channel. The DPO/MSO should not be allowed to change the same, unless he decides to change the overall genre series, but even in that scenario the sequential position of the channel should remain the same in that genre. New additions (if any) should be in the chronological order in that genre.
 4. The Regulations stipulate that the Carriage Fee will be calculated as per Schedule I (attached to the Regulations). The said Schedule further clarifies that where the DAS has been rolled out Carriage Fee is payable only if the penetration of a channel is below 20%. Payment of Carriage Fee also has slabs within that, ranging from 20 paisa to 5 paisa per subscriber as mentioned in Schedule I of the Regulations & our recommendations are :
 - (a) If any carriage fee is to be paid by the channel, it must necessarily have a co-relation with a subscriber base cited by the Multi System Operator (MSO)/Digital Platform Operator (DPO) and verified by the Central Facility/Auditor.

- (b) Furthermore the channel must be allowed to choose the city (s) and/or areas/ regions within a city (Target Market) to which its channels may be carried and be made to pay carriage fee accordingly on actual subscribers. For the convenience of understanding, the universe of the DPO/MSO in that "Target market" need to be used to arrive at the penetration of that channel & the carriage fee payable would be calculated accordingly.
- (c) For the convenience of the consumer there should also be a sub-categorization within a genre e.g. Within the category of news, Hindi or English, there must be further sub-categorization such as Hindi-Business and English-Business news ; Such sub-categorized genres would further help ascertain actual subscriber numbers for specific channels (for the purpose of pricing etc.)
5. In respect of Auditing, a Central Auditor /Facility must be in place in order that the correct subscriber numbers for channels, Pay or FTA, are available to the Broadcasters. The Auditor would also be able to co-relate the number of the subscribers to a channel as given by a DPO/MSO and verify the same. This would be an important issue vis-a-vis payment of carriage fee by the Broadcaster to a DPO/MSO.
6. (b) There must regular monthly reporting by a DPO/MSO to the Regulator/Auditor in respect of the number of subscribers to a channel which should be available for the Regulator to verify at all times. The same is recommended to be made available to the Broadcaster of that channel.
7. The MSO/DPOs must not be given the right to discontinue carrying of a television channel in case the monthly subscription, in the immediate preceding six consecutive months, for that particular television channel is less than 5 percent of the subscriber base of that distributor, in the target market specified by the broadcaster in the interconnection agreement, in that particular month. If a DPO is given the right to disconnect on the above terms the chances of a DPO giving incorrect subscriber number to the broadcasters and using it as an excuse to disconnect or to demand more fee in the name of placement etc. increases. Whether a channel can carry on its business of telecasting/broadcasting with a subscriber base of less than 5 percent of the subscriber base of a distributor should be left for the market forces to decide.

8. Since DPO/MSO's have the right to packaging, they can create an imbalance by playing one against the other & the channels (especially the niche ones) would suffer, so our recommend is that the DPO/MSO's should be encouraged to create "Genre wise packs" rather than a mix/match or even if he intends to create a package covering wide genres then he should not be allowed to disadvantage a channel with other channels in the competing genre. Only by doing this a channel (especially niche channels) gets a fair chance to sample.
9. The DPO's should report on a monthly basis their capacity to carry channels and the names of the channels in the queue for obtaining an LCN/number allotment.
10. Lastly we feel that TRAI should create a distinct identity between Commercial & Residential subscribers and should come up with a separate tariff order for Commercial subscribers.