

1. Do you think that the flexibility of defining the target market is being misused by the distribution platform operators for determining carriage fee? Provide requisite details and facts supported by documents/ data. If yes, please provide your comments on possible solution to address this issue?

As per detailed discussion in the CP it is clear that none of the MSOs misused the target market, as they have separate head end for each states. Perhaps the DTH case may be different, even though the DTH players seem to misuse the target market; they have no other option than declaring their operation as PAN India.

If the broadcasters and regulators are in the opinion that the DPOs misusing the term target market, then it may be restricted to the regional area of the same language speaking subscribers.

2. Should there be a cap on the amount of carriage fee that a broadcaster may be required to pay to a DPO? If yes, what should be the amount of this cap and the basis of arriving at the same?

As per available data out of 1143 active MSOs 809 MSOs are having less than 10,000 active subscribers. But the cost to maintaining the head end is more or less equal. In this case not the broadcaster but the small DPOs having less than 10,000 active subscriber base, will be left at the mercy of the broadcasters for claiming the carriage fee. So in this scenario to put a cap on the amount of carriage fee equal to all DPOs may be a justified move.

The cap may be INR 1,00,000/- for the channel included in the base pack, and INR 50,000/- for the channels other than the base pack. This may also be permitted to the regional language channels to the particular language speaking area of DPOs head end situated. The Other language channels if wish to add in the network the cap may be INR 75,000/- flat.

3. How should cost of carrying a channel may be determined both for DTH platform and MSO platform? Please provide detailed justification and facts supported by documents/ data.

It is clear that the DTH players' operational area is PAN India. In the present scenario major portion of carriage fee given by any broadcaster, is to the DTH operators. According the data given at table 6, the DTH operators consuming more than 60% of the carriage fee given by the broadcasters, 20% by the DPOs having more than 1,00,000 active subscribers and the remaining 20% is shared by more than 1000 small DPOs who are having less than 1,00,000 active subscribers.

If we linked the carriage fee with the distribution cost, then it is unfair revenue sharing. From the SMS of the DTH operators we can identify their target market for the particular channels, as we discussed earlier, if the unlinking cost is more than the MSOs, then the DTH Operators may given 50% more carriage fee than MSOs per channel.

4. Do you think that the right granted to the DPO to decline to carry a channel having a subscriber base less than 5% in the immediately preceding six months is likely to be misused? If yes, what can be done to prevent such misuse?

Again we are in the opinion that nothing is misused by the MSOs, as they are facing huge competition from DTH and OTT like distribution platforms, none of the MSOs drop any channels which is having subscriber's choice of that region, whether the channel is giving carriage fee or not is not a matter of concern.

5. Should there be a well defined framework for Interconnection Agreements for placement? Should placement fee be regulated? If yes, what should be the parameters for regulating such fee? Support your answer with industry data/reasons.

There should be a fair regulation for placement fee equal to all DPOs. Again in view of the table 1, it is clear that some region having more local language channels and some having lesser. If any regional language having more channels, then the placement regulation play a key role. So we are in the view that the placement fee can be arrived with mutual agreement provided that top three placement fee should not be less than INR 1,00,000 in the case of small MSOs having less than 50,000 active subscriber base.

6. Do you think that the forbearance provided to the service providers for agreements related to placement, marketing or any other agreement is favoring DPOs ? Does such forbearance allow the service providers to distort the level playing field? Please provide facts and supporting data/ documents for your answer(s).

Here also the stronger and bigger players cross the border of forbearance provided to them. The broadcaster favoring only the big DPOs having more than 1,00,000 subscribers. The small DPOs left at the mercy of the broadcasters not only for placement fee but also for the carriage fee. This certainly distorts the level playing field for the small MSOs. So there should be some uniformity in the agreement for placement related matters.

7. Do you think that the Authority should intervene and regulate the interconnection agreements such as placement, marketing or other agreement in any name? Support your answer with

justification?

Less than 50 DPOs including DTH operators having more than 2,00,000 active subscribers, rest of the DPOs approx.1100 are having less than 2,00,000 active subscribers according to graph 1 given in the CP. These 1100 add MSOs expect from the regulator to intervene in the placement, marketing and carriage fee related matter, to sustain in the business and maintain the level playing field.

8. How can possibility of misuse of flexibility presently given to DPOs to enter into agreements such as marketing, placement or in any other name be curbed? Give your suggestions with justification.

No comments.

9. Any other issue related to this consultation paper? Give your suggestion with justification

1. More than two decades the cable TV business was run by cable operators (LCOs). After DAS the LCOs together joint and form small MSOs to sustain in the business. More than 500 MSOs having less than 2500 active subscribers proved their passion towards this business. To run the business viable and recognize their self esteem the regulators should come forward and make necessary amendment in the interconnection so that the small MSOs get minimum guaranteed amount in carriage fee, placement fee, and marketing fee.