

Subject: **Comments on the Consultation Paper - Tariff related issues for Broadcasting and Cable services 16th August, 2019-Consultation Paper No.: 10/2019**

Date: 09/20/19 05:56 PM  
From: Sagar P <sugafa@gmail.com>

To: arvind@traf.gov.in, vk.agarwal@traf.gov.in

Dear Sir,

I am a Videocon d2h subscriber (End customer) and all my answers/feedback are based on my experience with their service and in the view of a D2H subscriber.

Please find below my comments/ views on the questions raised in the Consultation Paper - Tariff related issues for Broadcasting and Cable services 16th August, 2019:-Consultation Paper No.: 10/2019

Q1. Do you agree that flexibility available to broadcasters to give discount on sum of a-la-carte channels forming part of bouquets has been misused to push their channels to consumers? Please suggest remedial measures.

- I feel for business development, broadcasters are offering discount on bouquets, to push their channels and I don't think it's a misuse. Subscriber will also like to watch more no. of channels, at possible less cost. If TRAI is really concerned about the subscriber's interest, and want only to choose the actual channels they wish to watch, then one remedial measure can be considering to reduce the max. cap on channel prices.

Q2. Do you feel that some broadcasters by indulging in heavy discounting of bouquets by taking advantage of non-implementation of 15% cap on discount, have created a non-level field vis-a-vis other broadcaster?

I don't think so. This will increase the competition and ultimately the subscriber will be benefited. However, by reducing the max. cap on MRP of channels, may make broadcasters to offer only max. of 15% discount on their bouquets.

Q3. Is there a need to reintroduce a cap on discount on sum of a-la-carte channels forming part of bouquets while forming bouquets by broadcasters? If so, what should be appropriate methodology to work out the permissible discount? What should be value of such discount?

There is no need for reintroducing a cap on discount of sum of a-la-carte channels, as such discounted bouquets will cost much higher than the prevailing rates. It may only be beneficial if broadcasters/ TRAI reduce max. MRP of a-la-carte channel. Keeping the max. price at Rs.19/- for a la carte channels of a bouquet, and offering a discount of only 15% on such bouquets will definitely have a steep upward impact on total cable bill of a consumer.

Q4. Is there a need to review the cap on discount permissible to DPOs while forming the bouquet? If so, what should be appropriate methodology to work out the permissible discount? What should be value of such discount?

No. Introducing/ imposing any cap on discounts will only increase the cost of total cable bill with the current methodology of TRAI NTO. Subscribers in India still loves to get more no. of channels with lesser cable bill, irrespective of their watching preference. Moreover, even now, DPOs are not offering any considerable discount on the bouquets they are offering, when we add sum of channels they are offering in that particular bouquet.

Q5. What other measures may be taken to ensure that unwanted channels are not pushed to the consumers?

Most of the FTA channels provided by DPOs, in the first slab of 100 FTA channels are non-popular and unwanted to most of the subscribers. However, subscriber is bound to pay Rs.130/ + 18% GST as NCF for this slab. Subscribers can be allowed to opt for pay channels also within the quota of initial 100 channels for calculating NCF, with an option to remove unwanted FTA channels. Further, it may not only be restricted to SD channels, subscribers can be given freedom of choosing HD channels also in the first slab of 100 channels, with same NCF.

Q6. Do you think the number of bouquets being offered by broadcasters and DPOs to subscribers is too large? If so, should the limit on number of bouquets be prescribed on the basis of state, region, target market?

Yes, no. of bouquets offered are too large and is confusing. There is a necessity to limit these bouquets. It can be classified based on state, region, genera, target market etc.

Q7. What should be the methodology to limit number of bouquets which can be offered by broadcasters and DPOs?

Some of the broadcasters/DPO are offering bouquets which contains different genera of channels like GEC, Sports, Movies, Infotainment, Music, Kids etc, in a single bouquet. This will force the subscriber to buy a bouquet, which contain a different genera of channels, that a subscriber actually does not want to watch, but still opted for that particular bouquet just to save the money (compared to sum of al-a-carte prices of various channels of that particular bouquet). Broadcasters/DPOs should not be allowed to merge different genera of channels into a single bouquet.

Q8. Do you agree that price of individual channels in a bouquet get hedged while opting for a bouquet by subscribers? If so, what corrective measures do you suggest?

Yes. Corrective measure could be to lower the MRP cap.

Q9. Does the ceiling of Rs. 19/- on MRP of a a-la-carte channel to be part of a bouquet need to be reviewed? If so, what should be the ceiling for the same and why?

The cap of Rs.19/- is too high considering the fact that broadcasters are pricing their major channels at highest allowable MRP. This needs to be reduced drastically compared to current level. May be reduce to 25% of the existing tariff and fix

MRP of around Rs.5. Technically, if broadcasting/ distribution of HD channels costs more compared to SD Channels, then max. MRP for HD channels can be different (say about Rs.6-7 per channel).

If a subscriber, even opts for just 10 driver channels as al-a-carte (which is priced at Rs.19/- each), it will be costing Rs.190/- for just 10 paid channels + Rs. 130/- NCF Charges and above all he also has to pay GST @18% on that amount, totaling to Rs.377/-. Whereas he was able to watch most of the driver channels in SD, as well as about major 15 HD channels at this amount before NTO. This is not at all a subscriber wanted to happen. This is nowhere serving TRAI's purpose to make the regime beneficial to a subscriber.

Q10. How well the consumer interests have been served by the provisions in the new regime which allows the Broadcasters/Distributors to offer bouquets to the subscribers?

Offering bouquets is really consumer friendly and is a good initiative.

Q11. How this provision has affected the ability and freedom of the subscribers to choose TV channels of their choice?

As subscribing to many no. of al a carte channels will be much more expensive, opting for bouquets will be a much economical option.

Q12. Do you feel the provision permitting the broadcasters/Distributors to offer bouquets to subscribers be reviewed and how will that impact subscriber choice?

As customers are just now getting idea of the whole process, it may not be a good idea to again revise the structure and make subscriber more confused.

Q13. How whole process of selection of channels by consumers can be simplified to facilitate easy, informed choice?

Clear classification of genera of channels should be made by broadcaster/ DPO. No two genera of channels should be allowed to be merged into a single bouquet. Classification of channels on Language/region wise bouquets will also be a good idea.

Q14. Should regulatory provisions enable discount in NCF and DRP for multiple TV in a home?

Yes.

Q15. Is there a need to fix the cap on NCF for 2nd and subsequent TV connections in a home in multi-TV scenario? If yes, what should be the cap? Please provide your suggestions with justification.

DPOs can decide whether to charge or not to charge NCF for 2<sup>nd</sup> and subsequent connections in a home. However, TRAI can ask DPOs, to offer min. discount of about 50% on NCF for 2<sup>nd</sup> and subsequent connection.

Q16. Whether broadcasters may also be allowed to offer different MRP for a multi-home TV connection? If yes, is it technically feasible for broadcaster to identify multi TV connection home?

Yes, it will be a good idea to allow to offer different MRP for a multi home TV.

Q17. Whether Distributors should be mandated to provide choice of channels for each TV separately in Multi TV connection home?

Yes. It will benefit the subscriber a lot to reduce their burden on cable tv bill.

Q18. How should a long term subscription be defined?

Subscription of a particular package for 3 continuous months and above can be considered as long-term subscription.

Q19. Is there a need to allow DPO to offer discounts on Long term subscriptions? If yes, should it be limited to NCF only or it could be on DRP also? Should any cap be prescribed while giving discount on long term subscriptions?

Yes, DPOs can offer discount on long term subscription, which can be on both NCF and DRP, without any cap on discount.

Q20. Whether Broadcasters also be allowed to offer discount on MRP for long term subscriptions?

Yes, they can also be allowed.

Q21. Is the freedom of placement of channels on EPG available to DPOs being misused to ask for placement fees? If so, how this problem can be addressed particularly by regulating placement of channels on EPG?

Not Applicable, as I am d2h subscriber.

Q22. How the channels should be listed in the Electronic Program Guide (EPG)?

L1:G1, L1:G2, L1:G3.....L2:G1,L2:L2,L2:G3... will be most ideal.

Q23. Whether distributors should also be permitted to offer promotional schemes on NCF, DRP of the channels and bouquet of the channels?

Yes, they can be permitted.

Q24. In case distributors are to be permitted, what should be the maximum time period of such schemes? How much frequency should be allowed in a calendar year?

3 Months of max. time period and 2 times in a calendar year.

Q25. What safeguards should be provided so that consumers are not trapped under such schemes and their interests

are protected?

To make sure that, in no way the consumers freedom of choosing channels or changing channels/bouquets be compromised, during such promotion period.

Q26. Whether DPOs should be allowed to have variable NCF for different regions? How the regions should be categorized for the purpose of NCF?

Yes, Regions can be categorized based on language.

Q27. In view of the fact that DPOs are offering more FTA channels without any additional NCF, should the limit of one hundred channels in the prescribed NCF of Rs. 130/- to be increased? If so, how many channels should be permitted in the NCF cap of Rs 130/-?

Yes, it can be increased upto the level of no. of FTA channels available in the market.

Q28. Whether 25 DD mandatory channels be over and above the One hundred channels permitted in the NCF of Rs. 130/-?

25 DD mandatory channels should not be included in 100 FTA channels permitted in the NCF of Rs.130/- .

Q29. In case of Recommendation to be made to the MIB in this regard, what recommendations should be made for mandatory 25 channels so that purpose of the Government to ensure reachability of these channels to masses is also served without any additional burden on the consumers?

No NCF should be charged for DD mandatory channels.

Q30. Stakeholders may also provide their comments on any other issue relevant to the present consultation.

a) TRAI can also consider revising min. NCF. Which can start at Rs.50/- and can be incremental at Rs.10/- per slab of 20 channels with a max. cap of Rs.100/- for NCF.

DPOs may not be having any issue with this, as they were earlier giving around 150 channels with region wise basic bouquets at just Rs.99/- per month, which was also containing driver channels of that particular region.

b) Unable to understand the reason for considering 1 HD channel as 2 SD channels, while counting the no. of channels to decide the NCF charges. There is nowhere proper explanation for this in the entire Consultation Paper No.: 10/2019. Even HD channels can be considered as one single channel while calculation NCF, as now a days more no. of households are having the TV sets which can receive HD transmission and they can enjoy watching more no. of HD channels, without paying more, compared to SD channel. If required, TRAI can fix nominal different max. price cap for SD and HD channels. Price of HD channels can be fixed at about 25% higher than SD channels, and not considering 1 HD channel as 2 SD channels while arriving at NCF.

c) Some broadcasters have recently reduced price for few of their channels and bouquets, after publishing their initial prices at the time of NTO implementation. . However, the same is not being passed on by the DPOs to their subscribers. DPOs are still continuing to charge the earlier higher prices. There should be a methodology by TRAI to make sure that all DPOs are charging the prevailing rates only to their subscribers.

These are my views. Hope this will have your attention.

Regards

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Bengaluru.