



TACTV

TAMIL NADU ARASU CABLE TV CORPORATION LIMITED (A Government of Tamil Nadu Undertaking)

Registered Office: Dugar Towers, 6th Floor, No.34 (123), Marshalls Road, Egmore, Chennai – 600008. Telephone No: 044-28432911, Fax No: 044-28432913
CIN: U64204TN2007SGC064958 E-Mail: tactv@tactv.in

Comments about 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.

We believe, that the main purpose of the New Tariff Order (NTO) is to offer the channels at an affordable and flexible mechanism for the subscribers. The MRP prices of most of the channels (especially most viewed by the subscribers) has doubled or trebled as compared to Pre- NTO price. This has increased the subscriber billing (due to the escalated MRP of the channels & Bouquets). A typical example is given below for the SUN group of channels in Tamil Language.

Channel	Pre-NTO Ala-carte Price (Rs.)	NTO Ala-carte Price (Rs.)
Sun TV	5.25	19
Sun Life	5.25	9
Chutti TV	5.62	6
KTV	6.75	19
Adithya TV	7.64	9
Sun Music	3.15	6
Sun News	0.62	1
TOTAL	34.28	69

Channel	Pre-NTO Bouquet Price (Rs.)	NTO Bouquet Price (Rs.)
Sun TV	28	40
Sun Life		
Chutti TV		
KTV		
Adithya TV		
Sun Music		
Sun News		

The total MRP of the Channels (in NTO) is almost double that of the Pre NTO channel prices . The increase in individual MRP prices of the channels, is a negative factor for the subscribers, as the billing is more for them both for A-la-carte as well as Bouquet .

Our suggestion would be to bring down the individual Channel MRP prices as that of pre NTO regime, so that they become affordable to the common man. This will enable the subscribers to choose the channels either as A-la-Carte or as Bouquet.

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 broadcasters?

As the discount is not capped at 15% , it has been observed that there is no consistent policy in discount followed by the Broadcasters. Broadcasters offer different percentage of discounts and club Unpopular channels with Popular ones. Due to the deep discounts, channel Bouquets are priced attractively as compared to the individual MRPs of the channels forming that Bouquet. This has resulted in a tendency among the subscribers to avail the Bouquet, as it contains more number of channels, though it may contain channels not needed by the subscribers. **This has defeated the very objective of the New Tariff Order to provide only those Channels sought for by the Subscribers.**

Eg. Compare Sun TV bouquet price and with the A La Carte price

Channel	Bouquet Price (Rs.)	Alacarte Price (Rs.)
Sun TV	40	19
Sun Life		9
Chutti TV		6
KTV		19
Adithya TV		9
Sun Music		6
Sun News		1
TOTAL		40

Q3. Is there a need to reintroduce a cap on discount on sum of a-lacarte 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?

No comments.

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 comments.

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

The price of A La Carte Channel **must be less than the price** in the Bouquet of which the A La Carte channel forms part. This would provide the opportunity to the subscribers to opt for the A La Carte channels instead of opting for the Bouquets in which unwanted Channels have been pushed through the Bouquets with deep discounts.

Eg. **Compare Sun TV bouquet price and with** the A La Carte price

Channel	Bouquet Price (Rs.)	Alacarte Price (Rs.)
Sun TV	40	19
Sun Life		9
Chutti TV		6
KTV		19
Adithya TV		9
Sun Music		6
Sun News		1
TOTAL		40

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?

For cable MSOs , the Bouquets can be limited to a maximum of 3 to 5. Too many Broadcasters Bouquet offerings may also confuse subscribers. The Broadcasters Bouquets can be limited and based on Language /Region wise.

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

No comments.

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?

This happens mainly because the Broadcasters are packing less popular channels along with the popular channels, so that the less popular channels get more visibility, by being part of the Bouquet. **This added visibility to less popular Channels enables them to demand and increase their advertisement revenue shares.**

i. Implementation of 15% cap on discount as explained in Q2 Supra.

ii. Decrease in the price of A-la-carte channels compared to bouquets as explained in Q5 supra.

Q9. Does the ceiling of Rs. 19/- on MRP of 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?

As compared to pre NTO era , the MRP pricing of A-la-carte channels as Rs.19 has resulted in the practice of Broadcasters to offer deep discounts to the Bouquet (comprising of channels with higher MRP like Rs.19, Rs17 etc) . If 15% cap is introduced as discount for the Bouquets , then the Bouquets of all Broadcasters will be priced higher than what it is now and may not be affordable to the public . This is the reason, why many broadcasters are offering deep discounts to the Bouquet containing individual channels MRP as Rs.19, 17 etc .

If the discount for the Bouquet is capped to 15%, then in order to retain the present MRP of various Bouquets , Broadcasters will reduce the MRP of the individual channels forming part of that Bouquet and the individual MRP of the channels will come down from Rs.19.

Bringing down the MRP of individual channels to a reasonable price , will enable the subscribers to choose A-la-Carte channels, as and when required by them.

Q.10 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?

The very purpose of giving bouquets and A-la-cartes to the public is to make the cost affordable. In some cases, the Bouquet price of channels is lesser than the A-La- Carte price of individual channel, forcing the subscriber to avail bouquet instead of A-La-Carte channels. This is forced on the subscribers and the interest of the consumer as well as the objective of the NTO is not served on account of the higher pricing of the channel in A-la-Carte.

Eg. **Zee bouquet and Zee Tamil a-la-carte.**

Channel	Bouquet Price (Rs.)	Alacarte Price (Rs.)	
Zee Tamil	10	12	
Zee Action		1	
Zee News		0.1	
Zee Hindustan		0.1	
Zee ETC		0.1	
Zee salaam		0.1	
Zee Keralam		0.1	
Living Foodz		1	
Wion		1	
TOTAL		10	15.50

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

No comments.

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

No comments.

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

No comments.

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

No comments.

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.

No comments.

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?

This can be done only if the multiple TV's are properly mapped in a house with the main TV Connection for which the subscriber has taken the connection. Also, if the payment is not made to the main TV Connection, the other STBs should be automatically deactivated, as otherwise, they may enjoy programmes through other STBs, as they will be paying less amount than the main STB (as all STBs will be individually billed), if the above system is implemented .

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

As additional connections are done with different Set Top Boxes, choice of channels can be given for each TV in a Multi TV Connection home , which are served by different Set Top Boxes, as each Set Top Box can carry different packages.

Q18. How should a long term subscription be defined?

No comments.

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?

No comments.

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

No comments.

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?

No comments.

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

The listing of Channels in the Electronic Program Guide may be left to the prerogative of the DPO. India being a multicultural, multilingual country, there are wide variations in population diversity even within the States. The **DPO depending on the local population may customize the Channels in each specific area.** Hence, EPG fixation shall be given to the DPOs only.

As per the demand from the broadcasters as well as the Public, the viewership of Pay Channels should be given priority over the other Free to Air Channels.

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

No Comments.

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?

No Comments.

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

No Comments.

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

The variable NCF will create unhealthy competition between DTH and Cable MSOs. Since DTH is basically PAN India, DTH players may try to reduce the NCF in places where they are less dominant, in order to capture the market. This may result in subscribers getting shifted from one platform to another. Since cable MSOs are predominantly confined to a particular area, the variable discount in NCF by DTH players may upset the business model of cable MSOs, just to capture the market. Since already flexibility is given to fix the NCF price from 0 to 130, the DPOs can work out a pricing which may suit their Business Model based on the subscriber base, instead of having variable NCF.

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/-?

In general, the number of FTA Channels are more than the Pay Channels in India. As Indian states are multilingual with different states speaking different languages, it is reasonable to allow 150 Channels excluding DD Channels, which are mandatory in nature. By this way, States having multilingual population will be serviced easily, thus satisfying the subscriber's entertainment requirements.

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

Yes, DD channels shall be made mandatory over and above the one hundred channels permitted in the NCF.

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 reach ability of these channels to masses is also served without any additional burden on the consumers?

The most viewed DD channels in a region, correspond to the language spoken in that region. Accordingly the DD Channels for a particular region can be given as follows :

1. DD National Channels

2. DD Channels corresponding to the region having maximum spoken language (neighbouring state Languages) .

For Example, for Tamil Nadu, the suggested DD Channel combination is

National Channels :

1. DD National
2. DD Sports
3. DD Kisan
4. Lok Sabha TV
5. Rajya Sabha TV
6. DD News
7. DD Bharati
8. Podhighai TV (Tamil)
9. DD Sappthagiri (Telugu)
10. DD Malayalam (Malayalam)
11. DD Chandana (Kannada)
12. DD India
13. DD Gyandharshan

As channel capacity of a MSO is limited, our suggestion would be to include about 15 DD channels in the DPO platform.

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

1. DPO should be given freedom to fix the minimum subscription fee in the DPO bouquets which will be beneficial to the public thereby also

fulfilling the objective of TRAI in providing the channels to general public at a reduced cost.

2. Understanding the field reality that the NTO has only increased the cost of viewership for all Subscribers, Tamil Nadu Arasu Cable T.V. Corporation Ltd.(TACTV) , has in fact initiated a new Subscription Package for an amount of Rs.130, for which there has been huge welcome from the Subscribers. In fact, our initiative has helped in achieving the very objective of TRAI. Under these circumstances, TRAI should support the initiatives undertaken by TACTV and render support in the near future too.
3. Further, the regional channels in view of the popularity can be made Free to Air channels as per popular demand from general public.

Sd/-

Managing Director

//By order//


General Manager(Admin)

*N.S.
10/9/19*

10/9/19