

**Telecom Regulatory Authority of India**  
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TRAI Releases Consultation Paper on Broadcasting and Distribution of TV Channels

The TRAI today released a Consultation Paper on Broadcasting and Distribution of TV Channels. This Consultation Paper by the TRAI is a sequel to the Consultation Note of 15<sup>th</sup> January 2004 on issues relating to Broadcasting and Cable Services. The initial consultation note had generated tremendous response including substantial advice, opinions and recommendations. Subsequently the Authority held several consultations with various stakeholders. The consultation paper raises a number of issues including:

**1. Conditional Access System (CAS)–**

- Should CAS be introduced to view pay channels? If yes, should it be mandated by law or voluntarily introduced by Service providers so that they are able to get subscription revenues, which may otherwise be lost in the distribution chain?
- Should operators provide subsidies on Set top Boxes (STBs)? If so who should bear the cost of this subsidy? Is there need to regulate the commercial arrangement between players to share the burden of subsidy?
- Should it be compulsory for service providers to provide STBs on rent?
- Should interoperability of STBs be mandatory for Cable TV Systems? If not, on what conditions should STBs be returned to the Cable Operator?

**2. Price Issues on Cable Services**

- Should pay channels be subject to price regulation? If yes, what should be the methodology for determining prices?
- Should bundling of pay channels into a bouquet and discounts on thereon be allowed? If bundling of pay channels is allowed, should the ceiling rate on individual pay channels in relation to a bouquet price be specified? If so, what should be the ceiling rate of an individual channel?
- Do you think the price of Rs.72 for Basic tier Service requires any review? Should these charges be made applicable in whole of country or applied only where CAS has been implemented?
- Should there be uniform rates of cable service?
- What should be the periodicity of revision of rates for basic tier and Pay channels? Should there be a restriction imposed on the quantum of jump of revision of periodic subscription fee for pay channels?

- Should price regulation be done centrally or should it be decided by the local authorities/state governments?

### **3. Issues concerning Advertisement Time and Schedule**

- Should advertisement time on pay channels and other Free To Air Channels be regulated?
- Should advertisements be allowed on pay channels? If so, what should be the maximum permitted time for advertisement in every half an hour on Pay Channels?

### **4. Competition in Distribution of TV Channels**

- Do you think denial of signal of TV Channels to cable/DTH operators and denial of carriage of channels by Multi System Operators /Local Cable Operators /DTH operators is anti competitive? Should TRAI make it mandatory for the broadcaster to have an open access of their contents on non-discriminatory basis to all platforms including Cable TV and DTH?
- Should 'must carry' of a channel be made mandatory for all cable and DTH services providers? If so, on what conditions?

### **5. Quality of Service and Customer Service Guidelines**

- Do you think TRAI should set Quality Standards based Quality of Service and Customer Service Guidelines for cable TV Services? If so, what should be the standards for the following quality concerns?
  - a) Norms for complaint registration and handling of complaints.
  - b) Time period for redressal of complaints.
  - c) billing period, method of bill delivery and bill payment period.
  - d) Methodology to inform subscriber if the order of channels is to be changed.
  - e) Technical Standards for cable Network.
  - f) Compensation for interruptions

The Open House consultations have been fixed on the following dates:

- |       |         |                           |
|-------|---------|---------------------------|
| (i)   | Chennai | 7 <sup>th</sup> May 2004  |
| (ii)  | Delhi   | 11 <sup>th</sup> May 2004 |
| (iii) | Mumbai  | 15 <sup>th</sup> May 2004 |

The consultation paper has been placed on TRAI's website ([www.traigov.in](http://www.traigov.in)) and comments of the stakeholders have been invited by 7<sup>th</sup> May, 2004