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To,

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"Consultation Paper on Market Structure and Competition in Cable TV Services," dated October 25, 2021.

We, the Association of Cable TV Operators of West Bengal, would like to take this opportunity to thank you for providing us with the opportunity to submit comments from the end of LCOs on the various issues in the Consultation Paper on "**Market Structure/Competition in Cable TV Services**" on October 25, 2021.

Before registering our comments on the Consultation Paper on "Market Structure/Competition in Cable TV Services" on October 25, 2021, there is a feeling that the architecture of today's cable TV industry local cable operators (LCO) will soon be witness enough to the episode of losing their income and business built up over a 32-year period. Our concerns stem from the significant decrease in the percentage of current revenue as well as the current Indian inflation rate.

According to "The Telecommunication (Broadcasting and Cable) Services Interconnection (Addressable Systems) Regulations, 2017 and the Telecommunication (Broadcasting and Cable) Services (Eighth) (Addressable Systems) Tariff Order, 2017 and the Telecommunication (Broadcasting and Cable) Services Standards of Quality of Service and Consumer Protection (Addressable Systems) Regulations, 2017," as the most neglected part of the industry, there is no provision, not even a mention of it.

There is no service charge applied to the subscribers' day-to-day service. Since the contents of broadcasters and MSOs are carried with the help of the respective CATV networks of the LCOs across the country, it is predicted that LCOs will be given 100 per cent NCF (Network Carriage Fee instead of Network Capacity Fee).

Surprisingly, the sole revenue is obliged to be shared with the MSOs in the form of a Network Capacity Fee (NCF).

LCOs have clearly demonstrated their potential to make a substantial impact in the current million-dollar business and increase overall service quality, from responsible activities to high-tech efforts. Our sincere request to TELECOM REGULATORY AUTHORITY OF INDIA (TRAI) on behalf of LCOs is that the most critical demand is the adequate incorporation of LCOs' responsibilities and status quo in the Tariff Structure.

We, the LCOs, are glad that TELECOM REGULATORY AUTHORITY OF INDIA (TRAI) has recognised the ambiguities of Market Structure/Competition in cable TV services; our remarks on the consultation paper are as follows:

Q1: Given that there are multiple options for consumers for availing television services, do you think that there is sufficient competition in the television distribution sector? Elaborate your answer with reasoning/analysis/justification.

Ans. to the Q no. 1:

Consumers can obtain television services from a variety of providers. Consumers may select the service of their choice for their home entertainment, and if this question had been posed prior to October 2, 2003, it would have been perfectly logical, because television service examples indicate that there is significant competition in the distribution industry.

Dish TV started the country's first DTH service on October 2, 2003. India has the highest number of DTH subscribers in the world. As of December 31, 2019, the country had 69.98 million active Pay DTH customers. Subscribers to free DTH providers are not included in this figure. Currently, there are four paid DTH providers and one free DTH provider.

However, due to the enormous number of participants and the price war in the Indian television industry, it can be claimed that in order to survive in a competitive market, LCOs must fight with numerous possibilities, not simply to survive in the company.

In the case of LCO revenues, JIOs have just regained their footing. As an LCO organisation, we believe that the architecture of today's cable TV industry's local cable operators (LCOs) will soon see a time of income and business loss.

In addition, there are several unregulated OTT platforms.

On the other hand India's cable TV operators have been having a difficult time. When the government forced the digitisation of cable TV about a decade ago, individuals who did not want to invest money on new set-top boxes dropped their subscriptions. Another setback came in 2019, when the Telecom Regulatory Authority of India (TRAI) issued the New Tariff Order, which made channel choosing more difficult and boosted rates.

According to the Broadcast Audience Research Council, 210 million Indian households have a television set in 2020. This is a growth of 6.9% over 2018, when there were 197 million TV households.

In India, meanwhile, the number of cable homes has decreased from 115 million to 100 million. According to a study by credit rating agency CRISIL, DTH's

As a result, as a group of LCOs, we believe that there is no need for any other way for customers to obtain television services. If you explore for alternatives after this, you will find that "too many cooks spoil the soup," and hence the concept of more options may fail. Then, by blaming others, no one bears the guilt for the failure.

Thus, in the case of cable TV, Indian customers have a plethora of players and service providers to choose from.

Q2: Considering the current regulatory framework and the market structure, do you think there is a need to regulate the issue of monopoly/oligopoly/market dominance in the Cable TV Services? Do provide reasoning/justification, including data substantiating your response.

Ans. to the Q no. 2:

Given the existing legal and market structures, we believe that only TV services need to regulate the problem of monopoly, oligopoly, or market dominance since an exclusive entity arises when a certain person or company is the exclusive supplier of a specific product. Monopolies are defined by a lack of economic rivalry to manufacture goods or services, a lack of viable alternative products, and the likelihood of monopoly pricing exceeding the seller's marginal cost, resulting in larger monopoly profits.

An oligopoly is a market structure in which a small number of major vendors dominate a market or sector (oligopolists). In the United States, for example, it has been discovered that the insulin and electricity sectors are extremely oligopolistic.

Market dominance is a measure of a brand's, products, services, or persistence that is tied to competing offerings and controls a large share of the strength in a certain market.

Concerning the necessity to manage monopoly, oligopoly, and market dominance, it is worth emphasising that there is not just healthy competition on TV, but healthy and wholesome competition is an interaction between persons that stimulates and encourages attempts to reach higher. It fosters a climate in which everyone in the group desires that everyone succeeds, while others do not want to fail.

There is also uneven competition. It is sometimes solely used to refer to annoyances that confuse consumers regarding the origin of the product. As a result, service quality will decline, and users will continue to be unsatisfied with the services offered by their service providers.

Q 3. Keeping in view the market structure of television broadcast sector, suggest proactive measures that may address impending issues related to monopoly/market dominance in cable TV sector? Provide reasoning/details, including data (if any) to justify your comments.

Ans. to the Q no. 3:

As an organisation of LCOs we can suggest on the matter of the market structure of the television broadcasting industry, only active action can be taken to solve the looming issues of market monopoly and market dominance in the cable sector. Monopolization necessitates monopolistic power and the deliberate acquisition or preservation of such power, as opposed to expansion or development resulting from a superior product, commercial acumen, or a historical accident.

It's critical to understand the difference between aggressive competition and measures that shut out competitors and undermine the competitive process.

It's a tricky subject, too, because competitive and exclusionary behaviour may often be mistaken for one another. The same precise behaviour can have both precompetitive and exclusionary consequences. In deciding the criteria to be applied to single-firm activity, an efficient legal system will examine the impact of false positives, false negatives, and administrative expenses.

Laws should be adopted largely to prohibit competition that causes economic damage to a firm through fraudulent or unfair business activities in order to retain monopoly/market dominance.

This will only require different segments of the television industry to adhere to the concepts of transaction, arbitrariness, and equality, which will be founded on fairness, honesty, and credibility, resulting in recognised corporate ethics.

Q4. Do you think that there are entry barriers in the Indian cable television sector? If yes, please provide the list and suggest suitable measures to address these? Do provide full justification for your response.

Ans. to the Q no. 4:

Speaking of LCOs wanting to enter the Indian cable television sector, there is no barrier to entry into the Indian cable television sector because if anyone wants to enter the Indian cable television sector as a LCO, it is just his desire to do television business, and if he spends only Rs. 500 for Post and Telegraph License, then he will be able to enter the television sector as an LCO.

However, there are restrictions on entering the Indian cable television sector as an MSO as there are many issues involved in becoming an MSO, such as MSO license, affidavit, net worth certificate, monetary money, technical assistance, CAS, SMS, and of course, the broadcaster's favour.

As an organisation of LCOs, we can say that there is a need for more legal flexibility and ample opportunities to emerge as an MSO in the Indian cable television sector, especially for those LCOs who are looking for a new way to enter the cable television sector as MSOs.

Q 5. Do you think that there is a need to regulate LCOs to protect the interest of consumers and ensure growth/competition in the cable TV sector? If yes, then kindly suggest suitable regulatory/policy measures. Support your comments with reasoning/ justification.

Ans. to the Q no. 5:

As an LCO organisation, we do not believe that there is a need to regulate LCOs in order to defend consumers' interests and promote growth and competition in the TV industry alone. Since our response in this matter is no, it is reasonable to claim that the development of major houses in the TV industry has cornered minor businesses like LCOs due to their unique inclination to abuse consumer purchasing power by pressuring them to cut prices throughout the supply chain.

The Telecom Regulatory Authority of India (TRAI) and the Ministry of Information and Broadcasting (MIB) both have the authority to fine for monopoly abuse.

Q6. What should be the norms of sharing infrastructure at the level of LCO to enable broadband services through the cable television infrastructure for last mile access? Is there a possibility that LCO may gain undue market control over broadband and other services within its area of operation? If yes, suggest suitable measures to prevent such market control. Provide detailed comments and justify your answer.

Ans. to the Q no. 6:

What should be the rules of infrastructure sharing at the LCO level to enable broadband services through the television infrastructure only for last mile access? Speaking of which, it can be said that, There is no significant role for LCOs to effectively interfere in the infrastructure as well as in the architecture or resources of broadband services, as the system in question relies on the ISP, the LCO's ability to share data accessed by ISPs only on its TV network infrastructure.
Since LCOs rely exclusively on ISPs to provide broadband services through cable television infrastructure, broadband services rely on ISPs. Flexibility will pave the way for LCOs to become ISPs locally and, of course, improve quality of service.

All possibilities for gaining unwanted market control over broadband

and other services within the scope of LCO have already been exploited. Competition among various multinationals, corporates, and ISPs has already gained unwanted market control over broadband and other services. Unsolicited market control over broadband and other services within its purview has been sufficient and no longer needed.

Q7. What should be the relevant market for measuring the market power of cable services? Do provide full justification for your response.

Ans. to the Q no. 7:

Simply expressed, market power is a measure of a company's capacity to successfully influence the pricing of its products or services in the market as a whole.

The Herfindahl–Hirschman index (HHI), which evaluates the number of enterprises in the market and their market share, and the Learner's Index, which measures the degree to which prices are marginal, are two quantitative metrics that may be used to evaluate a firm's market competence. Excessive spending within its purview has been adequate and is no longer required.

No, the relevant market for determining market strength in the television industry cannot be primarily dependent on the state. Because the Indian cable TV market can be based on the number of customers rather than a specific region or state, For example, among the 28 states and 8 union territories of the country, there are metro cities such as Delhi, Mumbai, Kolkata, and Chennai where the number of customers, capacity, and compatibility are not equivalent to other cities. Assuming a set number of players for each state, it is plausible to conclude that, while the subject matter is valid, its futility and impracticality will be apparent after implementation. Due to its size, the customer base of 28 states and 8 union territories will be useful for gauging market strength.

Q 8. Can a state or city or sub-city be identified as relevant geographic market for cable television services? What should be the factors in consideration while defining relevant

geographic market for cable television services? Do provide full justification for your response.

Ans. to the Q no. 8:

The state or city or sub-city cannot be identified as a relevant geographic market for cable television services. The below factors are taken into consideration while defining the relevant geographic market for cable television services.

A relevant market is one where a certain product or service is offered for sale. It's the point where a relevant product market intersects with a relevant geography market.

A relevant product market includes all products and/or services that the consumer considers interchangeable or substitutable based on the products' characteristics, prices, and intended use; a relevant geographic market includes the area in which the firms involved in the supply of products or services operate and where competition is sufficiently homogeneous.

The geographic market is a region in which all merchants have the same competition circumstances for the product in question. The same criteria that were used to establish relevant product markets should be applied to the relevant geography market.

The type and size of the relevant geographic market are factors to consider while defining it.

Since India is one of the most varied countries in the world, a state, city, or sub-city can never be designated as a significant geographical market for television services. According to the 2001 census of India, the nation contains 122 major languages and 1599 additional languages, as well as more than 700 ethnic tribes, each with their own customs and entertainment.

Indian culture is frequently referred to as a synthesis of many civilizations. It is distributed over the Indian subcontinent and is impacted and formed by a history that dates back thousands of years. With a total area of 3,287,263 square kilometres, India is the world's sixth biggest nation. As a result, while determining the appropriate geographic market for cable television services, the market should be assessed independently for each unique geographical market.

Q 9. Do you think that MSOs and its Joint Ventures (JV) should be treated as a single entity, while considering their strength in the relevant market? If yes, what should be the thresholds to define a MSO and its JV as a single entity? Do provide full justification for your response.

Ans. to the Q no. 9:

In terms of whether MSO and its joint venture (JV) should be treated as a single business, joint ventures provide a broad range in terms of their cost-benefit ratio, where costs equal competitive advantage and advantage equals competitiveness. Joint ventures in fast-growing industries, such as cable television, are likely to be more widespread.

A joint venture (JV) is not the same as a partnership. The word refers to a single company entity made up of two or more people. A joint venture occurs when two or more distinct entities unite to form a new entity, which may or may not be a partnership.

Joint ventures in fast-growing industries, such as cable television, are likely to be more widespread.

There are several motivations for forming temporary alliances with other firms, including the need for expansion, the creation of new goods, or entry into new markets (especially overseas). JVs are a typical means for two unrelated firms' business abilities, industry knowledge, and people to be combined. This sort of collaboration enables each participating organisation to scale its resources to fulfil a given project or objective, lowering total costs but increasing the task's underlying risks and obligations.

A joint venture can be described as a "consortium." However, because the consortium is regarded as a more informal agreement between a number of different enterprises rather than the formation of a new corporation, it does not result in the formation of a wholly new organisation.

A merger occurs when two firms unite to establish a single corporate company, which is sufficient to regard as a single entity but does not need a "unity of interest" between the members of the joint venture, as is the situation when a parent and its fully owned subsidiary merge.

It should be extended to legal joint venture participants who are separately owned and regulated companies.

As a result, as an LCO organisation, we believe that MSO and its joint venture (JV) should not be treated as a single company. Because an MSO and its joint venture (JV) should not be treated as a single entity, we have no influence in determining the standards for designating an MSO and its JV.

Q 10. Which method is best suited for measuring the level of competition or market concentration of MSOs or LCOs in a relevant market?

a) **Provide your suggestions with justification.**

b) **Do you think that HHI is appropriate to measure market concentration of MSOs in the relevant market? Do provide full justification for your response.**

c) **If yes, then in your opinion should MSO and its JVs may be considered as a single entity for calculating their HHI? Do provide supporting data with proper justification for your response.**

Ans. to the Q no. 10:

Our statement as an LCO organisation is about which approach is best for determining an MSO's or LCO's level of competition or market density in the relevant market.

1. (a) To determine the degree of rivalry or market density among MSOs,

At the moment, MSOs' diverse actions are moving away from the competitive structure of markets and taking on a lethal shape in order to build a competitive market (exclusive, oligopoly market) that will display the face of profit.

Examining today's market structure, exclusive competition and oligopoly market structures appear to be concentrated mostly in perfect competition and exclusive markets.

Concentration

The amount to which market distribution between enterprises is relatively constrained, or market density, is an essential structural element of a market.

Entry-level restrictions

Other aspects of the market structure, such as entrance and exit conditions, are also investigated in the study. Companies perform competitively in the absence of entrance and exit obstacles, according to the theory of competition e.g.

Costs that are bundled

Sinking costs, which a potential invader must incur before entering, might therefore inhibit efficient entrance while enhancing quality and preventing price decreases.

The scope of the economy

Economies of scale refer to a decrease in the marginal cost of production that occurs as a crop is grown.

- A volume is created.
- Regulatory impediment
- Economic indicators

It gives a quantitative measurement of a regulatory stance across several sectors and regulatory domains, whereas sector indicators concentrate on particular network and service industry level regulations.

Dynamic structural configurations

There are crucial dynamic measures of competition that can assist in explaining the static structural measure of competition. This is because other qualified applicants and new entrants will compete in a well-functioning market.

Rates of entry and exit

The most typical dynamic measures are entry and departure rates. We already know that the entrance rate is derived by dividing the number of new entities created each year by the total number of active entities in that year. Similarly, departure rates are estimated using the number of departure agencies every year. The purpose of this metric is to represent the reality that competition can attract new competitor firms to the market and, at the very least, compel skilled manufacturers to quit.

The average age of businesses

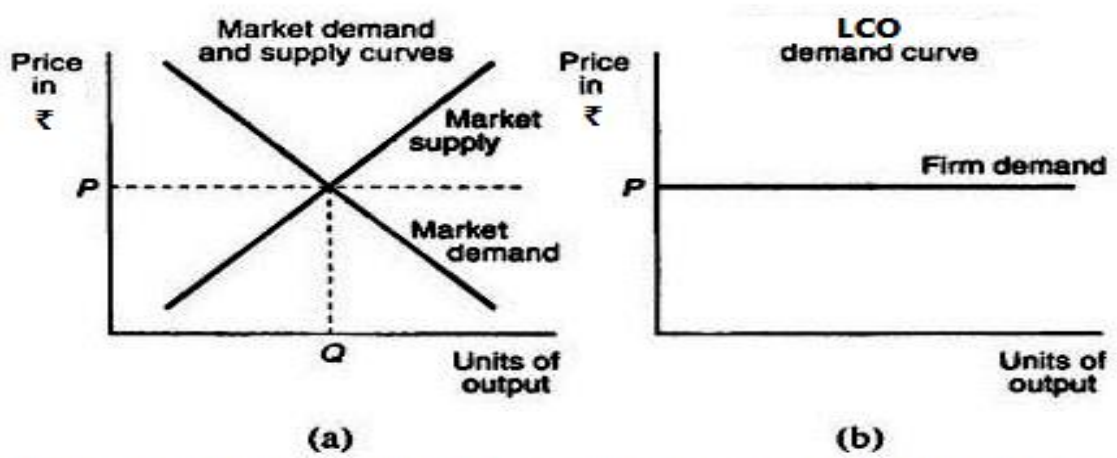
Another dynamic metric is the annual change in the average firm age of major enterprises. The number of employees is used to determine the firm's size.

Density

When tiny enterprises account for a substantial proportion of the whole market, the term "market density" is employed. It assesses a company's or a group of firms' sales dominance in a certain market. The density ratio is used to calculate the market density ratio.

All market density measures are classified into two types: isolated units and incremental units.

In terms of gauging the amount of competition or market density of LCOs, only TVs have the ability to set the price or bundle. Furthermore, since LCOs must compete for business survival with corporates and major houses, any efforts to evaluate the amount of competition or market density of LCOs will be futile because, in a fully competitive market, LCOs simply operate as price takers. The intersection of market supply and demand curves determines prices. The demand curve for LCOs is not the same as the market demand curve.



Market and firm demand curves in a perfectly competitive market

(b) We believe that the HHI is appropriate and relevant for estimating MSO market density in the relevant market. This index is generated by taking the square root of the market share and multiplying it by the proportion of each individual business in the industry. For example, imagine there are only four businesses in the MSO industry, and the following are their relative market shares:

MSO A controls 25% of the market.

MSO B controls 35% of the market.

MSO C controls 12% of the market.

MSO D controls 28% of the market.

The Herfindahl-Hirschman index has been calculated as follows:

Using Herfindahl-Hirschman Index (HHI) Formula

B6 =(B2)^2+(B3)^2+(B4)^2+(B5)^2

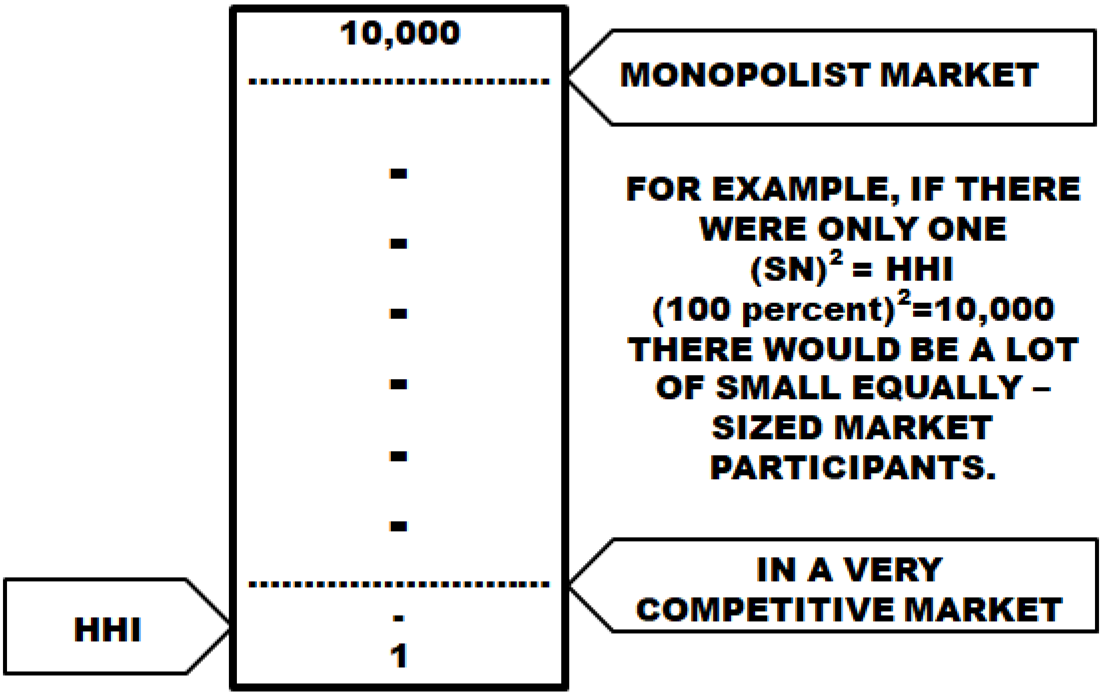
PARTICULARS	VALUE
Market Share of MSO A	25
Market Share of MSO B	35
Market Share of MSO C	12
Market Share of MSO D	28
Herfindahl-Hirschman Index (HHI)	2778

HHI formula = Herfindahl-Hirschman Index (market share of MSO A) 2 and up (market share of MSO B) 2 and up (market share of MSO C) 2 and up (market share of MSO D) 2

That is (25) 2+ (35) 2 + (12) 2 + (28) 2 = 625 + 1,225 + 144 + 784 = 2,778

Because the score is greater than 2,500, it demonstrates that the MSO business in our case is excessively consolidated and healthy competition is not observable.

If the market had exclusive rights, the index might have reached 10,000. The lower the index, however, the more competitive the market gets. For ideal competition, set the indicator to zero. When a single business controls a market, it achieves its maximum of 10,000 points. HHI rises when the number of farms in the market reduces and the size differential between those farms grows.



An H value of less than 0.01 (or 100) implies a highly competitive industry.

An H value of less than 0.15 (or 1,500) implies a concentrated industry.

H values ranging from 0.15 to 0.25 (or 1,500 to 2,500) suggest a moderate concentration.

An H value greater than 0.25 (more than 2,500) implies a high concentration.

(c) MSO and its JVs are treated as a single entity for HHI calculations, as an LCO organisation. HHI must be acceptable and relevant in order to estimate MSO market density in the relevant market. It is determined as the total of each market participant's market share.

For example, if each of the four enterprises had a 25% market share, HHI would be 252 + 252 + 252 + 252 = 2,500. The mistrust agencies assess absolute HHI and change as a consequence of HHI integration in the integration analysis.

If two firms in that market combine, HHI will be 502 + 252 + 252 = 3,750 + 1,250 (= 3,750-2,500) after the merger. In general, if the conversion of HHI as a result of the merger is relatively minor, or if the post-merger HHI is low, it is thought that the merger is unlikely to have any unfavourable competitive effect.

Q 11. In case you are of the opinion that HHI may be used to measure market concentration of MSOs in the relevant market, then is there a need to revise threshold HHI value of 2500 as previously recommended? If yes, what should be the threshold value of market share beyond which a MSO and its group companies should not be allowed to build market share on their own? Do provide full justification for your response.

Ans. to the Q no. 11:

Because we, as an LCO organisation, believe that HHI may be used to gauge the market density of MSOs in the relevant market, we are debating whether the recommended threshold of 2500 should be altered.

In response (b), we state that the lower the index, the more competitive the market gets, and that the index may be zero in the case of perfect competition.

TAKEAWAYS IMPORTANT

The Herfindahl-Hirschman Index, or HHI, examines an industry's market concentration to see if it supports healthy competition or is on the verge of becoming a monopoly.

When deciding whether to authorise a business merger, authorities evaluate the HHI because they aim to encourage healthy competition and avoid the formation of monopolies.

The HHI is computed by adding the squared market shares of the industry's 50 largest businesses.

The calculation's simplicity is both a benefit and a disadvantage—simple it's to compute, but it's so basic that it ignores the subtleties and intricacies of specific marketplaces.

As a result, market power is not an absolute phrase, but rather a question of degree and the degree of market power will vary depending on the circumstances of each instance.

Because it is useful to examine how much competition a company faces when determining if it has adequate market potential, it is also useful to examine how much competition an enterprise faces. Existing rivals, future competitors, and other considerations may all be limiting factors.

Share of the market.

There is no market share criterion for determining dominance. Assessing an enterprise's market share dominance is crucial, but it does not indicate whether a commitment is influential on its own. For example, it is vital to analyse the position of other companies in the same industry and how market share has evolved over time.

A company is more likely to be influential if its competitors are in a poor position or if it has a large and consistent market share.

The application of market share criteria, on the other hand, incorporates two independent questions:

First, how much market power does a specific circumstance have?

Second, how much market power is legally required?

As a result, no questions are answered, and they are not even directly highlighted. Furthermore, because market shares are not a measure of market strength but rather a component that conveys their dimensions in a certain context, they are both unequivocal responses. Their application entails a class error.

Furthermore, we propose that restrictions on access to controls be imposed when HHI exceeds specified thresholds, requiring prior clearance from authorities. The administrator must next properly investigate each matter and issue an order outlining the decision's reasoning. The parties to the action should be permitted to present their case, and the regulator's judgement should be contested. Transparency, accountability, and widespread acceptance of regulatory decisions are all benefits of effective implementation.

Q 12. Do you think that there should be assessment of competition at LCOs level on district/ town basis? If yes, what should be threshold HHI

in your opinion for such assessment? Justify your answer with detailed comments and examples.

Ans. to the Q no. 12:

As an LCO organisation, we believe that competition at the LCO level should be examined on a district/city basis.

The amount of quality that a product provides to consumers is a critical part of market competitiveness. Quality is most likely the most important non-price factor in determining whether or not a buyer will purchase a product. Furthermore, quality considerations frequently drive market innovation, boosting dynamic efficiency.

However, there are challenges in effectively evaluating quality by the TELECOM REGULATORY AUTHORITY OF INDIA (TRAI), as well as problems in determining quality impacts in the setting of increased competition.

However, it is unclear how to add quality factors into genuine competitive analyses. Price concerns are significantly easier to implement. Price is the only objective factor. Every customer loves to pay less for a higher level of quality. Quality, on the other hand, is a complex, subjective factor.

Consumers might differ on what "good quality" implies for a specific product at any price. Even if they agree on what the quality-relevant features are, they may disagree on how to prioritise them.

According to one of the main concepts of microeconomics, competition diminishes market value until it matches the marginal cost of a skilled firm. With this in mind, is there any economic strategy in place to address the impact of competition on quality? Will increased competition, in particular, improve quality?

Although quality is an important problem in competition policy, it is a challenging one to address.

The concept of marking or measuring In contrast to price and cost, it might mean different things to different individuals and is not always measurable.

As a result, none of these aspects of competition will evaluate competition at the LCO level, and as previously said, LCOs are sacrificing to survive the business, so regardless of the concessions, there is no competition. Excellent suggestion for a company site.

However, if the competitiveness is assessed at the LCO level on a district/city basis, we believe the HHI threshold should be less than 0.01 (or 100), indicating a highly competitive zone.

Q 13: In cases where a MSO controls more than the prescribed threshold, what measures/ methodology should be adopted to regulate so as to bring the market share/HHI below the threshold level? Specify modalities for implementation and effects of such process. Do provide full justification of your response

Ans. to the Q no. 13:

If an MSO controls more than the stipulated threshold, what steps should be done to control the market share / HHI to bring it below the threshold level and what is the systematic application for the implementation and effect of such a process?

Our statement in this regard,

Controls may act as either a stimulus or a barrier to technological progress. As technologies advance, regulators throughout the world are reconsidering their approach, embracing agile, repetitive, and collaborative approaches to face the difficulties posed by the rising technological revolution. To encourage innovation, authorities are also developing results-based policies and testing new approaches. This can help regulators strike a better balance between consumer protection and innovation.
As a result, if a single MSO or a group of MSOs control more than the mandated threshold, a legal and regulatory framework must be established to reduce the market share / HHI below the threshold level. Those who use digital technology to investigate the particular regulatory issues provided by business models will develop a legal and regulatory framework based on mail, paper, and word.

With the use of digital technology, it may able to be done to investigate the distinct regulatory issues offered by business models, for example:-

1. Adaptive regulations it shifts from a "managed and forgotten" approach can be responsive, repeated one.

2. A sandbox controller may create sandbox-style accelerators to experiment with new ways.

3. Regulations on outcomes Concentrate on outcomes and performance rather than appearance can be done.

4. Method of Risk-adjusted regulations may be adapted from one-size-fits-all controls to a data-driven, segmented approach,

5. Collaborative legislation may be adopted to align controls on a national and worldwide scale by incorporating a diverse collection of ecosystem participants.

Q 14. Do you think that DTH services are not perfect substitute of cable television services? If yes, how the relevant market of DTH service providers differs with that of Multi System Operators or other television distribution platform owners? Support your response with justification including data/details.

Ans. to the Q no. 14:

As an LCO organisation, we may state that we are unaware of the nature of DTH services. We cannot declare if DTH services are the best replacement for cable television services since we are just concerned with television services and do not enjoy DTH services. Also, the DTH service LCOs say something about the competition, not simply about the operators' culture, civility, politeness, generosity, and decency. On the other hand, DTH spends millions of rupees against the greatest operators and slanders the top actors in India solely to demonstrate how horrible the operator and cable television service are.

On the other hand, it can be said jokingly, LCOs would be pleased if DTH services were more than just a substitute for television services.

Q 15. Is there a need to change the criterion of market share in terms of number of active subscribers for determination of market dominance? Should the active subscriber base of JVs may also be considered while determining the market dominance of a MSOs. Do elaborate on the

method of measurement. Provide full justification for your response.

Ans. to the Q no. 15:

We responded to issue 13 about whether it is necessary to adjust the market share criterion in terms of active subscribers in order to demonstrate market dominance. It is debatable whether it is appropriate to set precise market share criteria on a case-by-case basis.

Q 16. How the new technological developments and alternate services like video streaming services should be accounted for, while determining market dominance? Justify your response with data/ detailed comments.

Ans. to the Q no. 16:

The use of digital media is growing all across the world. The rising number of devices capable of supporting digital media has boosted internet consumption speed while also providing consumers with the opportunity to access media material of their choosing, whether it be information, entertainment, or social activity, at any time and from any location.

Indian consumers are increasingly consuming material on digital channels, in line with worldwide trends. This pattern may be seen across all sorts of information, including news (text), music (audio), and video.

The key drivers of this trend worldwide are increasing Internet penetration, the growth of mobile devices, and the convenience of accessing material at any time.

Despite the fact that more and more people choose to watch video on their second and third screens, the Content Player operates across platforms and screens, with platform-agnostic and service options on the way. In the previous 1-2 years, many traditional TV broadcasters and channel aggregators have joined the mobile TV industry, including ZEE TV (DittoTV), Star TV (Hot Star), Tatasky, and Airtel DTH. In addition to this massive established media player within, new NexGTV and Mundu TV are attempting to disrupt the TV viewing experience by supplying on-demand TV programming via technology and mobile platforms. While these new competitors attempt to promote the Indian digital video supply market, YouTube, with its user-generated content model, retains its first-mover advantage, with the market leader accounting for more than half of all videos seen online in India.

The competition between cable television and online streaming services is increasing as digital media expands. Today, acquiring clients requires more than simply advertising; it requires tailoring corporate objectives to demands and needs. Many studies have been conducted to investigate the relationship between consumer adoption and online media, as well as critical characteristics such as cost, convenience of use, and social trends. In the regression model for internet streaming, only social trends and available alternatives were significant, in contrast to cable TV. There were a few significant media alternatives. When age streaming on cable television had a minimal influence on online selection, gender did not have a discernible function in the population.

As a result, we can focus on a number of different independent variables, such as cost, media options, customer service, and population, as the organisational view of LCOs on how to account for new technological developments and alternative services such as video streaming services when determining market dominance. Costs associated with internet streaming, media alternatives, ease of use as an independent variable, societal trends, and population may all be investigated.

Q17. If HHI is used for measuring the level of competition, do you agree with the restrictions prescribed in TELECOM REGULATORY AUTHORITY OF INDIA (TRAI)'s previous recommendations? If no, do provide alternative restrictions for addressing monopoly/market dominance in a relevant market. Do provide full justification for your response.

Ans. to the Q no. 17:

Although we agree with the constraints set out in prior TRAI recommendations, as an alternative to monopoly/market dominance in the relevant market, our plea as an alternative to monopoly/market dominance in the relevant market,

Section 4 of the Indian Competition Act, 2002, as modified, governs the behaviour of powerful businesses. Article 4 bans a company or group from abusing its position of power.

Not by exclusive practise, but through efficiency and severe competition, significant market share may be gained.

On the one hand, there is a well-known contradiction between the need to foster creative and efficient performance that may lead to market dominance, and the need to guarantee that such marketable enterprises do not engage in abusive behaviour in order to gain or maintain monopoly power.

The behaviour of a single corporation is a more confusing area of competition policy, and
This is an area where there is a great deal of variety between jurisdictions.

A pro-competition scenario is quite unlikely.
The competitors defend their agreement that their distributors should not interact with one other's distributors.

Controlling the competition

The foundations of competitive market control go back to the Roman Empire, with capitalism's evolution over time resulting in increasingly complicated structures. No-confidence legislation and other competition controls will be effective not only at the national level, but also internationally, as a result of many big firms' expanding international emphasis. Organizations like the World Trade Organization (WTO) seek worldwide cooperation for setting global norms in a competitive market that work in tandem with each country's internal competition rules. Although antitrust laws differ from country to country, they may be broken down into three categories:

Ensure that no agreement is made in the face of a competitive market. It ultimately boils down to avoiding cartels, or large-scale cooperation that allow for market manipulation. Controlling strategic initiatives that might be lessen the market's competitive aspects. It frequently goes after powerful industrial figures that have a proclivity for manipulating value or other factors. To avoid mergers that might harm the free market, monitor mergers, acquisitions, joint ventures, and other strategic partnerships.

Q18. M&A in the cable TV sector may lead to adoption of monopolistic practices by MSOs. Suggest the measures for curbing the monopolistic activities in the market. Explicitly indicate measures that should be taken for controlling any monopolistic tendency caused by a merger or acquisition. Do provide proper reasoning/justification backed with data.

Ans. to the Q no. 18:

According to our opinion on the matter of measures for curbing the monopolistic activities in the market and explicitly indicate measures that should be taken for controlling any monopolistic tendency caused by a merger or acquisition.

It is prudent to take precautions to prevent monopolistic behaviour in the market and to regulate any monopoly tendency that may arise as a result of mergers or acquisitions.

Controlling has two major downsides.

First, MSO control various marketplaces, influencing pricing, volume, and quality. Traditional economic theory does not consider this to be an oligopoly, but rather a single monopoly or perfect competition.

The second issue is that regulatory agencies lack information on the expenses of MSOs as well as the quality of the products and services they supply. This lack of understanding frequently gives regulated MSO enterprises a natural advantage.

Conduct instruction, practical application, and on-going research to integrate all results into a cohesive framework by diving deeply into the most essential aspects of oligopoly and the knowledge collected via the efficient use of new analytical tools in economics. As an LCO organisation, we feel that the emphasis on its ideological theory, regulation, and competition policy will be very practical.

Choosing an exclusive distribution system for a company might give them the opportunity to function independently.

When firms with a dominating market share merge, the government must evaluate whether the new corporation will be able to impose exclusive and anti-competitive pressure on the existing entities.

The impact is unidirectional. Authorities frequently oppose consolidation between competing firms that provide closer alternatives, claiming that consolidation will decrease beneficial competition.

Vertical merger integration between buyers and sellers can boost cost savings and company integration, resulting in competitive pricing for customers.

However, while vertical consolidation may have a detrimental impact on competition owing to a competitor's inability to obtain supply, certain requirements may be necessary before authority consolidation can be accomplished.

Potential competition has only challenged the highly competitive activities in the TV business and among new market entrants to encourage competition and entrance.

The Exclusive and Prohibited Trade Practices Act of 1969 The Competition Commission of India was founded under this Act to combat practises that harm competition in India. This law is in effect across India.
It is a mechanism for implementing and enforcing competition policy, as well as preventing and punishing anti-competitive corporate practises and unwarranted government intervention in the market. The law of competition applies equally to written and oral contracts, businesses, and individual agreements.

1. **Voluntary Trust:** Forming a voluntary trust may be one of the methods used in the situation of monopolies. The trusts must be voluntary, but care must be taken not to allow all of the ills of monopolistic power to sneak in and compel the authorities to take legal action.

   Monopolies, on the other hand, are frequently quite active. They either come together in another form or attempt to undo it by some informal agreement.

2. **Price control:** The monopolist will constantly endeavour to establish the highest possible price that it can acquire from clients in order to maximise profit.

   Authorities can monopolise profits and pricing, ensuring that the industry does not benefit unnecessarily. However, it is ineffective and cannot be used in practise.

3. **Establishing fair competition:** A monopoly can exist until there is genuine competition. If exclusive status is to be confirmed, this competition must be effective.

   However, the monopoly will not allow any competition since it would imply profit sharing on the one hand and arbitrary pricing tests on the other.

4. **Nationalization:** The government's final recourse is to nationalise firms if monopolistic power prevails and society is unwilling to accept it.

The difficulty with this system, however, is that the government has limited economic resources and can only nationalise a few sectors.

Q 19. Ease of doing business should not be adversely affected by measures/ regulations to check merger and acquisitions. What compliance mechanism or regulations should be brought on Mergers and Acquisition to ensure that competition is not affected adversely, while ensuring no adverse impact on Ease of Doing Business? Do justify your answer with complete details.

Ans. to the Q no. 19:

Merger and acquisition compliance measures or regulations should be implemented to guarantee that competition does not adversely affect the ease of doing business via regulation or rules for mergers and acquisitions. According to our request, M&A transactions in India may expand in the future years because of India's prominence as a market for global firms. Furthermore, at a time when firms are looking to diversify and risk-free their supply chains, India is an appealing alternative for enterprises looking to establish and grow their manufacturing operations.

Impose restrictions on the manufacture or supply of similar or identical or replaceable products or services; and do not engage in any activity involving the provision, production, supply, distribution, storage, sale, or trade of services or goods, or the provision of services at different stages or levels of the production chain.

Not involved in any activity involving the manufacture, supply, distribution, storage, sale, or exchange of services or products, or the provision of complementary services to one another.

The RBI published the Cross-Border Merger Regulation, which provides the operational framework for enforcing the active sections of the Companies Act pertaining to cross-border consolidation. A cross-border merger is a merger, consolidation, or agreement involving an Indian and a foreign corporation. Cross-border bonds can be inner or outward in nature. An inward merger is one in which the firm is an Indian corporation. An outbound merger occurs when a foreign corporation acquires control of a subsidiary firm. The term "resulting firm" refers to an Indian or foreign corporation that takes over the assets and liabilities of another company, participating in cross-border consolidation.

Consolidation in India, including cross-border consolidation, must be court-led and TELECOM REGULATORY AUTHORITY OF INDIA (TRAI)-approved. The procedure may begin with an agreement between the parties, but this alone will not be enough to give the transaction legal legitimacy.

Agencies may simply seek extra clearance from such regulators in order to execute an M&A deal, including television purchases.

Q20. Do you agree with the definition of ‘control’ as provided in the 2013 recommendations? If not, then suggest an alternative definition of ‘control’ with suitable reasoning/justification.

<u>Ans. to the Q no. 20</u>

As an LCO organisation, we can state that we have come a long way since 2013, when digital media saw enormous development, with new technology and business methods being conceived and implemented. is to achieve and keep business supremacy. As a result, after 8 years of operation, experience will reveal if an alternate definition of "control" is required. In response to the previous questions, we stated that we hoped we had provided enough perspectives on "control."

Q 21. Do you think that there should be different definition of 'control' for different kinds of MSOs? Do explain with proper justification.

Ans. to the Q no. 21:

It doesn't matter if you have a different concept of "control." **"A rose is a rose"** - no matter what you name it.

Control is divided into two levels: strategic and operational.

Consider a person driving a car. Strategic control guarantees that the vehicle is travelling in the appropriate direction; management and operational control ensure that the vehicle is in excellent condition before, during, and after the voyage.

Using that comparison, following the strategic control strategy as it is executed indicates that the strategy is flawed in terms of recognising any issue areas or possible problem areas and making the required modifications. Strategic control allows you to scroll back and forth to examine larger photos and guarantees that all sections of the image are properly aligned.

It is important to note that there are many sorts of controls that exist between the strategic and operational levels of control. The first two types can be divided into two groups: activity level and behaviour vs. result.

Activation

Activation is described as the notice of issues that results in timely prevention, rather than the actual reaction. This is known as "feed forward control" in management; it addresses what we can do ahead of time to help our strategy succeed.

Modern command and control

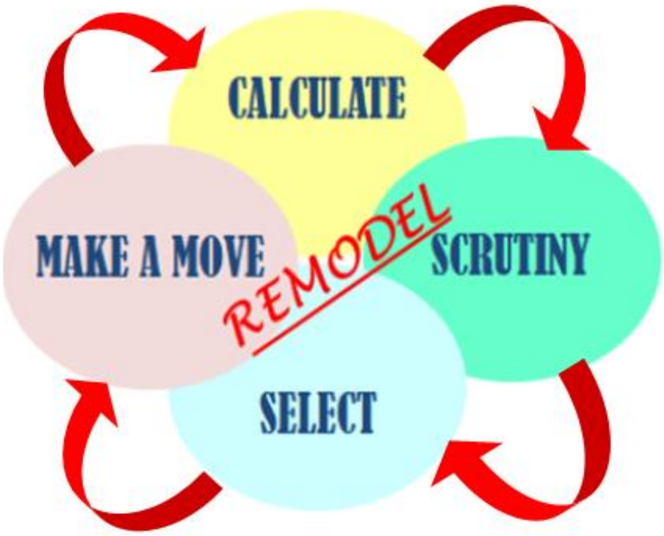
Concurrent control is the practise of watching and changing on-going activities and processes. Such controls are not always active, but they can help to keep issues from worsening.

Response management

Finally, reaction control is obtaining information about an entire activity, assessing that information, and taking measures to enhance future comparable events.

Control as a feedback loop

In this regard, all of these control functions serve as a reaction mechanism to assist leaders and managers in adjusting their tactics, which is likely mirrored by changes in planning, organisation, and leadership aspects. This reaction cycle is depicted in the diagram below.



Q 22. Should TELECOM REGULATORY AUTHORITY OF INDIA (TRAI) restrict the ambit of its recommendations only on certain kinds of MSOs? Do provide full justification for your answer.

Ans. to the Q no. 22:

Our thoughts in connection with, whether the Telecom Regulatory Authority of India (TRAI) will confine its recommendations to specific categories of MSOs.

Because of their size and volume, small MSOs cannot dominate the market. Major corporate and multinational MSOs can dominate the market, and large multinationals have various advantages over other enterprises. Multinational corporations, for example, may frequently bypass trade barriers.

Another benefit of global corporations is their capacity to sidestep regulatory concerns.

Multinational corporations may migrate from one area to another when market conditions change.

Multinational firms can also take advantage of emerging technology from around the world.

Furthermore, multinationals may tap into a vast pool of technological skills by using the knowledge of a global workforce.

Multinational firms can also make some innovative moves by standing on a strong economic foundation, offering an abundant chance to remove minor participants from the market by clearing the way for particular consumer benefits. A recent operation by a multinational corporation involved reaching out to consumers in defiance of LCOs in exchange for a slew of freebies.

As a result, the principles of anarchy, disorder, lawlessness, and illegitimacy are as powerful as the giant fishes that eat the tiny fishes; they are unlawful, unconstitutional, and banned in the eyes of the law because of anarchy, chaos, and boundary infringement.

For these reasons, our primary request as an LCO organisation is to limit the scope of its suggestions to specific categories of MSOs while keeping the following criteria in mind.

When we compare MSOs with LCOs, it is evident that LCOs service the whole client base.

The current regulatory framework necessitates a review of what may be a set of legislation to relieve local cable operators (LCOs) of inconvenient and troublesome situations.

On the basis of 32 years of experience and competence in the same sector and the owner of the newest digital service-enriched network, we implore the government of India to enable international firms to deliver their services to customers through LCOs.

Q 23. Do you agree with the disclosure and monitoring requirements mentioned in the 2013 recommendations to monitor the TV distribution market effectively from the perspective of monopoly/market dominance? If no, provide alternative disclosure and monitoring

requirements. Do provide full justification for your response.

<u>Ans. to the Q no. 23</u>:

Exploitation of a monopoly or market dominance unit MSO is often known as the employment of improper ways of attaining or holding market power. To successfully monitor the market, we must agree on the specifics of the disclosure specified in TELECOM REGULATORY AUTHORITY OF INDIA (TRAI)'s 2013 recommendation, as well as the need for monitoring.

Q 24. Elaborate on how abuse of dominant position and monopoly power in the relevant market can manifest itself in cable TV services. Suggest monitoring and remedial action to preserve and promote competition. Do provide full justification for your response.

<u>Ans. to the Q no. 24:</u>

Explaining in detail how a dominant position in the relevant market and abuse of monopoly power can only manifest themselves in TV services, it could be mentioned that the loss of consumer welfare due to insufficient competition will necessitate scale and mechanisms to promote competition rather than economic gain.

THINGS TO THINK ABOUT WHEN DETERMINING DOMINANT POSITION

Traditionally, dominance has been characterised in terms of a company's or a group of companies' market share. However, a variety of additional elements play a part in defining an enterprise's or a group of firms' market impact. These factors include: market share, enterprise size and resources; competitor size and importance; enterprise economic power; vertical integration; consumer dependence on the enterprise; market entry and exit barriers; countervailing buying power; market structure and size; and market structure and size.

Monopoly frequently leads to a decline in service quality in the long run.

There will be a lack of incentive for additional earnings to invest in new technologies or innovations if there is little or no competition in the market or if obstruction is created.

·There is a unique possibility of abuse of market dominance by those responsible if there is little or no competition in the market or if obstruction is created.

·Powerful MSOs impose unfair conditions on players in the value chain, distorting competition by, for example, procuring content at low costs but demanding high car demand and placement fees, making it difficult for broadcasters to acquire market access, and so on. Influential MSOs might give LCOs a higher revenue share, driving them away from minor MSOs.

Although some markets in India may exhibit market dominance characteristics, competing with the present regulatory framework is illegal under Indian law.

There are also a huge number of modest-sized MSOs that have had a materially negative impact on the operations of small MSOs and LCOs, as well as the customer base that has been formed as a consequence of the free offer effect.

Small MSOs and LCOs should be supported at all times. If small MSOs and LCOs were barred from the market, major MSOs and corporations would undoubtedly dominate and experience the detrimental repercussions of consumer governance.

This is a win-win situation for consumers and LCOs alike, because customers will have more options for local channels and value-added services.

Q 25. Is there a need to recommend cross-holding restrictions amongst various categories of DPOs/ service providers? Do give detailed justification supporting the comments.

Ans. to the Q no. 25:

In order to shed light on whether DPOs or service providers need to recommend cross-holding restrictions in different departments, cross-holding, also referred to as cross-shareholding, describes a situation where a publicly-traded company replaces another publicly-traded company. It contains a significant number of shares.

When one shareholder of one company owns stock in another company, this is referred to as a "cross-holding."

Shareholder cross-holdings are substantial and, at least in the case of acquisitions, have the potential to influence management choices.

When a financial or market analyst is attempting to value a firm, it is simple to check for cross-holdings. When examining the corporation that issued the shares, the value of cross-hold equity shares can be assessed first. When examining the assets of another firm, the company that has such equity shares

The advantages and disadvantages of cross-holding :

The practice of holding stock in other firms attracts both supporters and detractors.

Proponents of her cause have been working hard to make the full transcript of her remarks available online. Proponents of her cause have been working hard to make the full transcript of her remarks available online.

If Company A owns stock in Company B, it wants Company B to prosper so that it may increase its cross-holding. Company B wants to enrich Company A because it would be damaging to Company B's stock price if Company A were financially obliged to sell all of Company B's shares.

Cross-holding price proponents have also stated that the practise might shield a firm whose shares could shield another company from a potentially unfavourable takeover since the amount of cross-holdings could be enough to obstruct takeover efforts.

In addition to the potential valuation issues, critics of cross-holdings argue that investments in cross-holdings are frequently inefficient uses of capital—capital invested in the stocks of other companies can be used more efficiently if directly invested in core business expansion. Cross Holding Corporation.

Critics further argue that, in the case of a big recession or other economic crisis, cross-holding might generate a domino effect, in which the financial failure of one firm could lead to the financial failure of another owned company. Significant cross-ownership exists in the first company's stock.

As a result, as an organisation of LCOs, our sincere request is that appropriate authorities must advocate on cross-holding limits in various departments of DPOs/service providers, and cross-holdings should be controlled.

Any Other Issues

Q 26. Stakeholders may also provide their comments on any other issue relevant to the present consultation

Ans. to the Q no. 26

Speaking of the challenges of LCOs as an association, it can be stated that LCOs are one of the important stakeholders of cable TV, and LCOs, in addition to any guidance and obedience to the law, obeyed the norms of the TELECOM REGULATORY AUTHORITY OF INDIA (TRAI). It is indisputable that the LCOs' devotion, hard work, and faith over the previous 32 years have contributed to the growth of cable TV into a multibillion-dollar business. Cable TV has become the most up-to-date application of modern technology due to the relentless labour of the LCOs, at various times, on their own initiative, which has resulted in LCOs establishing significant employment with customer pleasure. Despite this, LCOs today are afraid, anxious, and petrified of losing business due to uneven and unhealthy competition, pricing wars, free offers, and so on, which make it impossible for them to compete. This makes survival difficult and impractical for LCOs. As a result, as an LCO organisation, we would like to draw the attention of the TELECOM REGULATORY AUTHORITY OF INDIA (TRAI) and other authorities to our comments on the existence of LCOs in the cable TV business, healthy competition in the cable TV industry, and ensuring the commercial existence of LCOs. We want LCOs to take precise, positive, effective, fruitful, helpful, appropriate, and existential action.

Ensuring the business security of LCOs.

The local cable operator (LCO), the multi-billion dollar industrial architecture and creator, will soon witness the business they built over a period of 32 years, the revenue of that business, and the loss of the business. The explanation is that cable operators have lost their identity as cable operators after the digitization of cable TV, but with all the work of their network comes huge work responsibilities such as giving set-top boxes to consumers, repairing set-top boxes to consumers, and all consumer cable operators. For reclaiming set-top boxes from terminated cable TV subscribers (police brutality or criminal case if set-top box cannot be recovered), taking advantage of a free or low-cost offer, or any other unknown reason. Only operators have to deal with natural disasters like money laundering, lockdowns, and natural calamities.

Broadband services for LCOs on their own initiative, apart from cable TV, have already spun the wheel to further transform the Indian economy. In the case of the digital revolution in India, high-speed broadband is an important pillar With the Prime Minister's dream of a digital India coming true, LCOs are one of the pioneers in providing quality broadband to the public as a basic infrastructure.

LCOs are small entrepreneurs who are strengthening the broadband backbone for the existing ECO system digital highway, and they are accustomed to working in low-profit and small business units. Thus, they are also successful in rural areas where they use local resources, including manpower. By connecting them to a national fiber-optic network to provide broadband to their customers, LCOs will generate additional revenue, help boost the national economy, and increase employment opportunities for people in rural areas.

The cable TV industry has a track record of connecting more than 100 million households in the country. If a potential business model is created for operators with the right technology vendor support, they will not only create end-mile networks but also market them among the local population to benefit the people and know how to do it.

Encourage LCOs to construct MSOs.

Our hope is that the TV industry will only prosper if the highest level of experience working at the grassroots level of TV shows the flexibility of the LCOs to show their legal flexibility to emerge as MSOs.

The biggest obstacle to the transformation of LCOs into MSOs is MSOs, as MSOs have "abused their market power" to prevent the emergence of new players. Broadcasters are offering different deals to different MSOs, which allows larger MSOs to secure content at lower prices and provide special benefits to broadcasters. Existing MSOs lack cooperation with LCOs. In addition, they can offer a good revenue share to entice local cable operators from small MSOs. MSOs have tried to expand their influence and size by buying smaller MSOs and cable operators.

Once an MSO has such dominance, they can make it difficult for broadcasters to gain access to distribution networks. Selectively blocking content can hinder the multiplicity of perspectives.

If TELECOM REGULATORY AUTHORITY OF INDIA (TRAI) and other authorities take the initiative and initial steps to make LCOs appear as MSOs, the initial response from LCOs must be encouraging.

Over The Top (OTT) services

OTT services should be registered under the Telecom Act as they are a paid service, consisting entirely or mainly of signal transmission, and are carried electronically. TELECOM REGULATORY AUTHORITY OF INDIA (TRAI) should take some steps like communication networks. Failure to do so should constitute a serious offence that could harm the interests and competition of users. The most decisive factor in the growth of OTT services will be the government and regulatory position towards them. It is important to keep in mind that high speed internet access, the opportunities it offers for the development of new business models like OTT and its implications for telecom operators are essentially predicting a technological revolution. Throughout history, technological revolutions have been "winners" and "losers," but in the end what should be considered is the ultimate overall impact on the well-being of society at large. Therefore, the government and TELECOM REGULATORY AUTHORITY OF INDIA (TRAI) should facilitate this process and not take steps that could hinder it. Create a fair environment for competition, innovation and investment in the national telecommunications ecosystem. Access OTT's economic, policy, and consumer welfare implications, including regulatory framework and economic incentives. Develop policies and / or regulatory frameworks capable of increasing fair competition between network operators and OTT providers. Encourage collaboration between OTT and network operators.

There must be some level of control for online communication providers a licencing system may not be the best way to go about it, as it would be unrealistic and would reduce the value of the Internet to citizens.

DD Free Dish

LCOs are upset that paid channels are being offered for free on DD Free Dish. As DD Free Dish is a free-to-air (FTA) DTH service, there is no monthly fee and it can be availed with a one-time payment for dishes and set-top boxes.

However, DD Free Dish, is unaffected by the TELECOM REGULATORY AUTHORITY OF INDIA (TRAI) rule and is exempted from all the tariffs and is exempted from the ruling to encrypt.

The Goods and Services Tax (GST)

The implementation of Goods and Service Tax in the year 2017 has had a large-scale impact on several goods and commodities, the most noticeable of which is a change in price. The government has levied an 18% GST rate on cable TV services.

Before the implementation of GST, subscribers to cable TV had to pay 12% as service tax. However, with the introduction of the 6% extra GST on cable TV service tax, it has become more expensive to purchase cable TV packages.

Viewers will benefit if they think seriously about reducing GST for cable-TV and make efforts to re-evaluate GST.

Television advertisements

Television advertisements have become an imperative medium of advertisement for all types of products and services. TV channels are doing business in the monopolistic competition market. Different TV channels are telecasting different programmes at their scheduled times, with sponsorship from different advertisers. The effectiveness of advertisements depends on how many viewers are watching the particular advertisement with full attention and are receiving the messages manufacturers are sending to their target customers.

Several notifications on the ad cap regulation by the TELECOM REGULATORY AUTHORITY OF INDIA (TRAI) and the duration of advertisements on TV channels state that no broadcaster shall carry in its broadcast of programme advertisements exceeding twelve minutes in a clock hour and any shortfall in advertisement duration in any clock hour shall not be carried over.

The Ministry of Information and Broadcasting of Bangladesh has issued an order that only "clean feeds" (a clean feed is a video signal that does not have added graphics and text) of foreign channels will be allowed to be broadcast in the country.

MSO consolidating or joint venture

In the case of an MSO consolidating or joint venture to protect its business interests, acquiring another MSO, or merging with a corporate entity, details on how to ensure the future business security of the LCO for the latest venture with the confidence of the LCOs associated with that MSO should be provided.

Our appeal to TELECOM REGULATORY AUTHORITY OF INDIA (TRAI)

In view of the subject-matter to provide the stakeholders' comments on other issues relevant to the present consultation On behalf of all LCOs, the **CABLE OPERATORS SANGAM COMMITTEE** supports and shouts in favour of the inception and implementation of the DIGITAL ACCESS SYSTEM and always upholds the interest of the subscribers as well as the thinking, recommendations, and guidelines of the TELECOM REGULATORY AUTHORITY OF INDIA (TRAI) regarding the DIGITAL ACCESS SYSTEM.

We hope you receive sufficient information from the aforesaid statements from our end, and we believe you should extend your hands of cooperation and effort to the cable TV operators to get to the bottom of the present challenging situations.

Without prejudice to our rights and contentions in the Consultation Paper on "Market Structure/Competition in Cable TV Services," we raise the issues that need consideration by the appropriate authorities.

Thanking You

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