We would want to highlight 3 points in the tariff order:

1. As per sub clause 1 of point no. 5 regarding the **maximum retail price of a pay channel transmitted in SD format** in a given genre that is specified in Schedule II looks quite high. Given the historical rates that the broadcasters have been charging to some of the MSOs are much cheaper. For example GEC MRP has been given as Rs 12 while if we look at the already existing contracts , the amount that broadcasters are currently charging based on the subscriber base comes to even less than Rs 3 in the majority cases. Therefore we suggest the MRP should be revised to at least a 50% lower rate.
2. As per sub clause 5 of point no. 5 regarding **Cap on MRP of pay channels**, it states – " The maximum retail price of a premium channel transmitted in HD format shall not be more than three times the maximum retail price of such premium channel transmitted in SD format." – This again is very high. The broadcasters are already shooting all channels in HD format. So, there is no additional cost incurred on account of content.

   To broadcast an HD channel, it only takes extra transponder cost owing to the extra bandwidth required. To explain it further, let us illustrate it with an example -

Cost for 1 Transponder(in USD)	USD rate	INR	
1000000	67	67000000	per year cost
		5583333	per month cost
Atleast 5-6 HD channels per transponder		1116667	per month per channel cost (assuming 5 channels per transponder)
Min 5 lacs subs		2.233333	per month per channel per subscriber cost

   Thus, to broadcast HD channel would only be approx Rs 2 more than the SD channel cost, that too assuming only 5 lac subscribers. So, it should not be priced over 30% more than SD channel price.

3. There should be some **difference between DTH tariff and Cable tariff** as for Cable, LCOs take 50% of the total revenue which is not in the case of DTH. Although AGR and Transponder cost is prevalent for DTH, it still does not correspond to 50% of their revenue.