

## **IMCL response ( including HITS) regarding twin condition tariff regulation for Addressable system**

*Provided further that* subject to the provisions of the Standards of Quality of Service (Digital Addressable Cable TV Systems) Regulations, 2012 (12 of 2012) and the Direct to Home Broadcasting Services (Standards of Quality of Service and Redressal of Grievances) Regulations, 2007 (8 of 2007), **if a multi-system operator or direct to home operator or internet protocol service provider or HITS operator providing broadcasting services or cable service to its subscribers, using a digital addressable system, offers pay channels or pay channels and FTA channels as part of a bouquet, the a-la-carte rate of such pay channels forming part of a bouquet and the rate of such bouquet shall be subject to the following conditions, namely:**

*a) the a-la-carte rate of a pay channel forming part of a bouquet shall not exceed two times its RIO rate offered by the broadcaster for addressable systems; and*

### Response:

- *This should be Ok , as mostly the MSOs keep the ala carte rates of channels much less than 2 times than RIO of Broadcasters.*
- *However, we have a major issue on how the RIO rate ala carte is arrived.*
- *We strongly feel the RIO rate conditions for a MSO should be linked to the package bouquet offer , which Broadcaster provides, and not to the old method of 42 % of old ala carte rates of analogue!!*
- *So for example full package of 20 channels of a broadcaster is provided to a MSO at CPS/fixed amount of Rs.35.*
- *In this case the ala carte sum of all the 20 channels for the RIO rate should not be more than Rs.105*

*The 2007 , Oct 4, Regulation for Broadcaster to MSO mentions this:*

*“In case a broadcaster in addition to offering all its channels on a-la-carte basis, provides, without prejudice to the provisions of sub-clause (1), to a multi system operator or to a cable operator, pay channels as part of a bouquet consisting only of pay channels or both pay and free to air channels, the rate charged for such bouquet and a-la-carte rates for such pay channels forming part of that bouquet shall be subject to the following conditions, namely:-*

*(a) the sum of the a-la-carte rates of the pay channels forming part of such a bouquet shall in no case exceed one and half times of the rate of that bouquet of which such pay channels are a part; and*

*(b) the a-la-carte rates of each pay channel, forming part of such a bouquet, shall in no case exceed three times the average rate of a pay channel of that bouquet of which such pay channel is a part and the average rate of a pay channel of the bouquet be calculated in the following manner, namely:-*

*If the bouquet rate is Rs. ‘X’ per month per subscriber and the number of pay channels is ‘Y’ in a bouquet, then the average pay channel rate of the bouquet shall be Rs. ‘X’ divided by number of pay channels ‘Y’”*

*(b) sum of a-la-carte rates of all the channels in the bouquet shall not exceed three times the bouquet rate.*

Response:

- As a MSO or HITS direct points this will be taken care off,if the broadcaster condition of RIO , ala carte rates of channels are considered as above
- For LCO customers , HITS will enable to ensure that even if there are packages made by the MSO at the local mini headend ( COPE) , will follow the twin conditions and any bouquet rate should not be more than 3 times of ala carte.
- In a HITS service the channels are downlinked through satellite and provided at the mini headend level , which we call Cable Operator Premise Equipment (COPE). The users of this can be registered MSO ( for DAS)or even non registered MSO ( for DAS) , so the packages provided by them will follow these package rules