

Our views and counter comments to the draft amendment to the Tariff order are as under:

We agree and are in sync with the stakeholders who have commented as under:

- 1. As per the extant the tariff regime, the retail tariff is a derivative of the wholesale tariff. By the Consultation Paper TRAI is seeking to regulate the retail tariff whereas the issue of wholesale tariff remains at large in view of the judgment of the Hon'ble TDSAT dated 28.4.2015 by which the amendments in the two tariff orders relating to wholesale tariff were set aside and the TRAI was requested to have a fresh look at the tariff order in a holistic manner. This exercise, as per our understanding, is pending with the Authority. As a result there is no comprehensive tariff order as expressed by the Hon'ble TDSAT in the said judgment with respect to wholesale tariff.
- 2. The Authority has not disclosed the basis on which it has proposed the tariff order. The exploratory memorandum also does not throw any light on the aspect that have weighed with the Authority to formalize the terms and conditions as set forth in the tariff order, without any knowledge of the working which has been employed to determine the conditions of the tariff order, it is extremely difficult for us to provide any meaningful or detailed analysis.
- 3. Currently the broadcasting industry in India at the retail level is still evolving. It is also well known fact that there are numerous aberrations throughout the country which impact the retail tariff being charged presently. Therefore, rather than to regulate the retail tariff, it should be left to the market forces on the principle of forbearance.
- 4. The tariff order if proceeded with would result in substantial increase in the price of bouquets being offered by the MSOs and would ultimately impact the consumers. In several tariffs across the world, of which the Authorities are aware, retail tariff is not regulated. The tariff order, in our understanding, does not disclose or set out any reasons as to why there should be a departure in India in which the broadcasting industry is yet to evolve and not as developed as some other jurisdictions.

Hathway Cable & Datacom Limited

805/806, "Windsor", Off C.S.T. Road, Kalina, Santacruz (E), Mumbai - 400 098. Tel.: +91 22 6774 2500 Fax: +91 22 6774 2400

Regd. Off.: "Rahejas", 4th Floor, Corner of Main Avenue & V.P. Road, Santacruz (W), Mumbai - 400 054.

- 5. The "A la carte" rate of channels of various broadcasters ought to be left to be determined in a non-discriminatory manner by MSOs, who would be free to fix the price of channels on "A la carte" basis in such a manner that the freedom of determining the retail tariff would remain with them.
- 6. Majority of the disputes arise due to the pricing issue between the stakeholders however, we do not want to comment on the said issue as the matter is subjudice before the Hon'ble Supreme Court.

In view of the aforesaid we request the authority to take into consideration the issues mentioned above and only thereafter move forward for fixation of tariff.

For Hathway Cable and Datacom Limited

Ajay Singh

Company Secretary & Chief Compliance Officer