We deeply acknowledge the arduous efforts of the Regulator and all allied bodies in taking a holistic view of all comprehensive issues grappled by the stakeholders in providing a new regime as contemplated in the proposed Tariff Order and the Interconnection Regulation, 2016.

In our view, the proposals bring semblance of order by providing a balance in an equitable manner with all stakeholders being a fair recipient of their share of interests.

We are glad that the revised DAS Tariff order and the Interconnection Regulation have been structured in a manner that will bring in complete transparency in the entire Cable & Satellite ecosystem.

It is our view that the proposed Regulations set out to correct many of the anomalies and shortcomings of the previous Regulations. The proposed Regulations we opine is fair to all the stakeholders, brings transparency across the entire Value chain and most importantly empowers the customers to decide and choose any channel/s of their choice. Transparency in the ecosystem will significantly bring down inter-stakeholder disputes which was restricting the growth of the industry and this will also help bring in fresh and new investments into the industry.

While the proposed Interconnection Regulation purports to give the different Distribution stakeholders a fair share of subscription retail revenue, the rate of carriage fee @ Rs. 0.20 will effectively reduce the carriage fee component drastically, bringing in great relief to the Broadcasters.

In our submission, we find room for correcting the premise that drastically denies carriage revenues for a viewership of just 20% or more subscriber viewership. Carriage / placement fee is a well recognized concept granted in all trades as a facilitator to gain distribution eye-balls so as to generate higher advertisement revenues and a 20% viewership of a SD channel may not fetch broadcasters much revenues.

Our view is that the capping should be removed completely (or if at all Capped, then should be at greater than 60 to 70% of subscriber base of the DPO). The fear that DPOs may push channels to subscribers to generate higher revenues may not find much merit, as the proposed Tariff order empowers the Subscriber the freedom to choose channels of their choice, whether FTA or Pay.

The only other possible area of contention in the proposed recommendation, if one may say so, is the genre-based Retail Price caps, which limits a Broadcasters ability to price their channel/s, but that has been mitigated to a great extent by allowing Broadcasters to declare any of their channel/s as Premium, allowing them greater freedom to charge a premium on such channel/s.

With the proposed Tariff recommendation allowing distribution stake holders an assured fair share of net revenue coming to them in a transparent and equitable manner, the focus of the distribution stakeholders should now shift to facilitating broadband offering through the cable ecosystem.

Towards this, we hope to see a regime whereby the distribution platforms / local cable operators would be able to further internet access penetration and are rewarded by way of incentives.