



23rd September 2019

To
Shri Arvind Kumar
Advisor (B&CS)
Telecom & Regulatory Authority of India
New Delhi

Sub: Comments on TRAI's Consultation Paper on Tariff Related Issues for Broadcasting and Cable Services dated 16th August 2019.

This response is being filed on behalf of Asianet Star Communications Pvt. Ltd. ("ASCPL") to the Consultation Paper on Tariff Related Issues for Broadcast and Cable Services, dated 16th August 2019 ("CP") which seeks to review a number of issues related to the recently implemented Telecommunication (Broadcast and Cable) Services (Eighth) (Addressable Systems) Tariff Order, 2017 ("NTO"), Telecommunication (Broadcast & Cable) Services Interconnect (Addressable Systems) Regulations 2017 ("NIR") and Telecommunication (Broadcasting and Cable) Services Standards of Quality of Service and Consumer Protection (Addressable Systems) Regulations 2017 ("NQoS") (collectively the **New Regulatory Framework, 2017**, or "**NRF**"), as under:

1. At the outset, Star India Pvt. Ltd. ("Star"), of which ASCPL is a group company, has filed a detailed response to the CP vide its response dated 23rd September 2019. We support the said response and adopt all the submissions contained therein as part of our present response. The contents of the Star's response should be read as part and parcel of our submissions as well.¹
2. In addition to the points raised by Star, we wish to comment as follows:
 - a. ASCPL is the owner of 11 channels that make available content in regional South Indian languages, viz., Tamil, Malayalam and Kannada:

¹ We are filing this response without prejudice to any rights and obligations, including in event of any action prior to our filing of the response. We humbly submit and unequivocally state that no part of our response or any suggestions may be deemed to be a consent on the part of ASCPL and/or Star on the issues raised by TRAI in Consultation Paper dated 16.08.19 or consent towards the piecemeal implementation of the suggestions.

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- i. Vijay TV – general entertainment content in Tamil language;
 - ii. Vijay HD – Tamil general entertainment content in high definition (HD) with clearer picture and superior sound quality;
 - iii. Vijay International;
 - iv. Vijay Super – Tamil language movie channel;
 - v. Asianet – Malayalam language general entertainment channel;
 - vi. Asianet Plus – Malayalam language channel;
 - vii. Asianet HD – Malayalam language general entertainment content in HD;
 - viii. Asianet Movies – Malayalam language movies channel;
 - ix. Star Suvarna – Kannada language general entertainment channel;
 - x. Star Suvarna HD – Kannada language general entertainment content in HD; &
 - xi. Suvarna Plus – Kannada language channel
- b. ASCPL is one of the pioneers in content focused at Tamil, Malayalam and Kannada speaking audiences. By its very nature, such content has very limited audiences and thus, may not have mass viewership. Since subscription revenue is usually low due to limited audiences, ASCPL channels depend significantly on advertisement revenues to sustain business.
- c. Since ad revenues depend on a channel's reach, ASCPL channels' survival depends upon being made available to consumers in bouquets along with other channels so that they can increase their reach to be able to garner higher ad revenues.
- d. However, our assessment of the CP is that TRAI is completely ignorant of this ground reality about broadcasters who provide such regional content. To us it appears that the Authority seems to believe that unless a channel has vast viewership, it is 'unpopular' and thus ought not to be included in a bouquet as such inclusion purportedly leads to forcing such channels on consumers.
- e. The above categorization of a channel as 'popular' or 'unpopular' forms the basis of almost all the conclusions and proposals in the CP. In the absence of a clear understanding of the basis of this distinction by TRAI, we are presuming for the purposes of this response to defines 'unpopular' channels, TRAI is relying upon the viewership data and insinuating that channels that do not have mass uptake are 'unpopular'. If this is the case, then not only ASCPL, but any regional language channels would be deemed 'unpopular' and restrictions upon bundling of purported 'unpopular' channels in a bouquet would effectively be the death-knell for them.
- f. When the current proposals opened for consideration by TRAI in the CP base their conclusions on purported 'popularity' or 'unpopularity' of a channel, and consequently seek to discourage inclusion of purported 'unpopular' channels in a bouquet, they are

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squarely targeted at restricting the channels that may be included in a bouquet, basis the content shown on such channels. Pertinently, such a categorization by TRAI has no nexus with object of the proposals in the CP – to empower the consumer to exercise his freedom of choice and to pay for what he / she wants to watch. TRAI has utterly failed to explain how categorization of a channel as 'popular' or 'unpopular' would be helpful in permitting a consumer exercise his freedom of choice.

- g. Television is one of the most popular mediums of expression. Artists, singers, writers, directors, producers, dancers and performers from all walks of life express their art through the medium of television for the enjoyment of the public. Irrespective of whether the art sought to be broadcast is 'popular' or 'unpopular' as purported by TRAI, each artist is entitled to be treated at par and any restriction or curtailment on manner in which a TV channel can be priced, bundled, offered or made available to viewers, based on such unintelligible differentia would be manifestly arbitrary.
- h. Such action would effectively mean that the freedom of choice that TRAI is strenuously trying to provide to a consumer whereby a consumer ought to have the option to choose a diverse array of channels, would also effectively be impacted, as the diversity and variety of content choices would be limited.
- i. Thus, we believe that if TRAI continues with its consultation exercise and implements its proposals, it is possible that ASCPL will not be able to sustain its business in the absence of bundling.

In view of the aforesaid, it is respectfully urged that the Authority may reconsider proceeding with the current consultation exercise and refrain from making any the changes to the existing regime, which was implemented only 6 months back. Any such actions on TRAI's part could have significant adverse consequences for VTPL and would result in long-term losses and irreparable consequences for stakeholders.

Yours sincerely,

For and on behalf of Asianet Star Communications Private Limited

K. Aravamudhan

(Authorized Signatory)