

**COUNTER COMMENTS ON TRAI CONSULTATION PAPER No 10/2019 ON
TARIFF RELATED ISSUES FOR BROADCAST AND CABLE SERVICES**

Lt Col VC Khare (Retd) Cable TV industry Observer

1. A cursory look at the comments reveals two things :-

- (a) No of comments from cable operators has spurted, in numbers, on some prompting.
- (b) Tariff basis is not clear to Cable Operators serving subscribers, directly and intimately, in terms of continuity in service, proximity customer care (different from one envisaged in DAS) and fear of losing their hard established business.
- (c) Justification for Carriage fee and placement fee, charged from Broadcasters and cherished by Headend Service Provider(HSP) alone does NOT seem to be properly understood.

2. Cable Operators are upset on :-

- (a) When NCF is being imposed as pipe, for flow of digitized addressable video content with clear audio and video reception at the farthest subscriber's domestic TV receiver from the headend in terms of wireline length, what is the justification for Carriage fee, which is not listed in Cable Act.
- (b) Provision for their share in carriage fee, if legalized by TRAI, in deference to Cable Act.
- (c) Why Broadcasters should not share their income from advertisements which are being shown on TV screens in the network set up by them.
- (d) Losing their style of charging a fixed monthly subscription from subscribers and paying a part of it to Headend Service Provider (HSP) and giving discounts on additional TV sets in the household.
- (e) They are not given the status of principal CATV service provider since they serve the subscriber.
- (f) They will lose ownership of the subscriber, which they cultivated and are therefore possessive about. Cable Operators do not, mentally, consider themselves a joint part of the DPO.
- (g) DTH gets an advantage over CATV if the service provider does not charge NCF.

3. Headend Service Provider is concerned about mandatory audit :-

- (a) First time for proof of performance for functioning of Headend in terms of Schedule III, Second time for subscription figures scrutiny in the SMS.

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(b) This is particularly so for many Headends which have infirmities in quality of hardware installed and responses to data required for audits.

(c) Carriage fee, which mitigates their OPEX charged both from PAY and FTA content provider. The manner of arriving at the basis on target audience method is cumbersome.

(d) What happens if the conformist compliance officer defaults and is blamed in the audit.?

4. A wild thought

All documentation and accounting systems are mandated around PAY TV tariff. Prior to 1996, all content was free to viewer and HSP. What happens if this provision of PAY content is abolished ? Business in CATV will be simpler. DRNM based issues in other modes too will be diluted.