

23rd September 2019

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Re: Comments on the Consultation Paper

This response is being filed on behalf of NGC Network India Pvt. Ltd. to the Consultation Paper on Tariff Related Issues for Broadcast and Cable Services, dated 16th August 2019 (“CP”) which claims 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., which is a group company of NGC Network (India) Ltd., 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 Star’s response may be read as part and parcel of our submissions, the same are not being repeated for the sake of brevity¹.
2. In addition to the points raised by Star, we wish to comment as follows:
 - a. NGC is a leading global media and entertainment company that has highly specialized and niche content. NGC has the following categories of niche channels:
 - i. National Geographic (SD, HD, Tamil and Telugu) channels, which air non-fiction television programmes featuring documentaries with factual

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 NGC Network (India) Ltd. and/or Star India Pvt. Ltd. on the issues raised by TRAI in Consultation Paper dated 16.08.19 or consent towards the piecemeal implementation of the suggestions.

- ii. content involving nature, science, culture, and history, plus some reality and pseudo-scientific entertainment programming.
 - iii. Nat Geo Wild SD and HD channels, which focuses on animal-related programming.
 - iv. Fox Life SD and HD channels, which focus on travel related infotainment.
 - v. Baby TV channel which focuses on kids / children related content.
- b. As is evident from the nature of content on NGC's channels, they are primarily targeted at informing, educating and creating awareness amongst consumers / viewers in an entertaining manner so as to make learning fun. Some of this content is acquired and translated into regional and local languages such as Hindi, Tamil, and Telugu while the rest is produced by NGC locally by employing Indian creators, authors, and musicians. However, such content may have very limited audiences and thus, may not have mass viewership. Since NGC channels have limited viewership (thereby limited subscription revenue), to recoup its costs of production, and thus to be able to have the capacity to stay afloat and reinvest back into content creation, NGC has to ensure substantial revenue through advertisements in order to sustain and continue providing the channels, let alone quality content. Since viewership is directly proportionate to a channel's reach, the only way available for NGC channels to survive is if they can be made available to consumers in bouquets along with other channels so that NGC channels can have higher reach to be able to garner higher ad revenues.
- c. As a broadcaster of such niche content, NGC has the freedom to disseminate and circulate the NGC channels as it seems fit. In fact, NGC is entitled to ensure the widest possible dissemination and circulation for its channels. Further, citizens who maybe interested in watching the niche content broadcast on the NGC channels also have a right to receive such content, irrespective of whether such content has mass consumption and is 'popular' in the terms insinuated by TRAI in its CP.
- d. Such freedoms enjoyed by NGC can only be subject to 'reasonable restrictions' and particularly, cannot be curtailed on the ground of purported 'public interest'. Most importantly, we believe that capping of discounts of any manner can never be in public interest.

- e. However, the current proposals opened for consideration by TRAI in the CP seem to be biased against permitting purportedly 'unpopular' channels to be clubbed in a bouquet. We are presuming here that by 'unpopular' channels, TRAI is relying upon the viewership data and insinuating that channels that do not have mass subscriptions are 'unpopular'. If this is the case, then even NGC channels would be deemed 'unpopular' and restrictions upon bundling of purported 'unpopular' channels in a bouquet would effectively be the death-knell for channels such as NGC that provide niche, informative, and children's programming.
- f. We would like to submit that pursuant to the implementation of the NRF, in order to survive, NGC had to rebrand two of its channels - Nat Geo People HC and Nat Geo Music HC to National Geographic Tamil and National Geographic Telugu. If further restrictions are imposed on the basis of purported 'popularity' or 'unpopularity' of a channel, NGC channels would effectively have to close down.
- g. Such action would effectively mean that the freedom of choice that TRAI is strenuously trying to provide to a consumer would also be impacted, as the diversity and variety of content choices would be limited. NGC is currently offering cutting edge documentaries with factual content involving nature, science, culture, and history i.e. content targeted at educating and informing consumers about the world around them. If TRAI's continues with its consultation exercise and implements its proposals, it is possible that NGC will not be able to sustain in the absence of ad revenue which it can currently earn through 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 as recently as 6 months ago. Any such actions on TRAI's part could have significant adverse consequences for NGC and would result in long-term losses and irreparable consequences for stakeholders.

Yours sincerely,



For and on behalf of NGC Network (India) Pvt. Limited

K. Aravamudhan

(Authorized Signatory)