From the broad range of comments published, it is more or less evident that all LCO associations seek TRAI mandate on more revenue share options / percentage from their MSOs while Broadcasters want the 'Status Quo' to prevail to observe further saying that the consultation is too early and subscribers are just adjusting to the NTO regime., while DTH operators seem to be quietly content with an a assured revenue stream they are now getting through NCF, so they aren't making much noise with their clear cut demands and more or less even they want the status quo to continue.

1. Presuming that TRAI would continue to allow bundling of alacarte channels in Broadcaster bouquets in the present form (With current discounted bouquet prices or even with 15% cap on bouquet discounting), there are bound to be certain obvious practices by broadcasters for revenue considerations and impact minimization irrespective of the tariff regime adopted for BCS., such as the ones listed under

    a) All the premium content channels of most of the broadcasters without major exceptions, in GEC category of both Hindi and all major regional languages of the broadcasters would be priced at the highest price allowed for inclusion in bouquet (which is Rs. 19 as of now.) Even second most popular channels would be priced at somewhere near the upper end of permissible max. price for bouquet inclusion., especially the large portfolio broadcasters.

       For that matter, even a broadcaster who is at a fourth or fifth position in the popularity pecking order would also not compromise too much on pricing when it comes to the their top 2-3 revenue earning channels. Often they do not mind foregoing their initial revenues, rather than downgrading their relative market positioning. Any channel / bouquet price relaxations would be extended only after observing stable viewership data and rankings for a period of 9-12 months, as such changes would virtually affect their market positioning with both subscribers and advertisers on a near permanent basis.

    b) Even popular Movie channels under above described category segments (Hindi & major Regional) would be priced more or less at the maximum end or a shade lower based on relative competition.

    c) Even English GEC & Movie channels, Sports etc would be priced quite high in view of the cost of content sourced from foreign broadcasters where prices are quite high as seen by Indian standards and affordability.

2. As such ruling of the courts on 15% cap on bouquet discounts as 'arbitrary' and unenforceable is expected to prevail further in litigations / verdicts as it lacks the support of a logical basis or tariff conditions. Going by the data listed out by stakeholders such as M/s Pursuitex Advisory Services, (appears to be an agency employed by the Broadcaster lobby going by its data inferences and suggestions) and presuming it to be correct, only 20% of pay channels are priced at the top most end at Rs. 19. I buy their point that deeper bouquet discounting can happen only if top earning channels are clubbed with not so good ones / laggards.

   The point I wish to make is that since there are virtually no pay channels priced above Rs. 19 in the broad pay channel universe (given the fact that broadcasters can fix their stand alone channel prices as high as they wish), the price arrived at by TRAI at Rs. 19 for bouquet inclusion itself is highly questionable (at least seen on ex-post facto basis). While TRAI had followed past 'models' adopted for pricing between Broadcasters and DPOs, the same has clearly proven to be not holding good for consumer end pricing of channels for bouquet inclusions, based on real pricing data available in public domain currently which has not undergone major shifts after NTO roll out. **The earlier decided price point of Rs. 19 for bouquet inclusion has eminently proven to be a very high price limit as it is sitting at the top most point of the pricing matrix of entire pay channel universe, barring for one or two odd channels. Real time data such as this has to be taken into consideration to arrive at a new significantly lower price point than the existing Rs. 19, rather than adopting doubtful models as adopted in the past to arrive at Rs. 19 for bouquet inclusion.** Such models adopted in past are not a reflection of ground realities, in view of a lot of behind the screen pricing and discount deals struck between broadcasters and DPOs making a mockery of even the RIO declared prices as admitted by TRAI in CP. Such pricing is just like aiming to throw darts at a board blindfolded or in darkness, with just everyone convincing themselves it is as right, keeping the subscriber out of the loop.

3. This brings us to the next logical question as to **why can't TRAI disallow any sort of discounts on bouquet formations as such concept is basically meant to ease subscriber choice and selection rather than serving broadcaster or DPO interest for undesirable extra channel push for their advertising revenue or rather better prospects in salability to advertisers.** This cannot be challenged legally as it falls under tariff matter very much under TRAI mandate as ruled by courts. If broadcasters threaten that it will increase stand alone channel prices, let it be the reality. The subscribers are the best judge to decide on what to choose and select on a-la-carte basis once.

They need not have to do it every month or on a frequent basis, it is just the first time. If they have no time or knowledge to evaluate even these offerings and select, they will simply lap up broadcaster bouquets with NIL discounts offered at consumer level. Let DPOs offer any kind of discount for such bouquets made across multiple broadcasters based on the extent of discount they get from broadcasters. Naturally broadcasters will not pass too high discounts to DPOs to protect patronage of their own bouquets with nil discounts. **Rather ideally TRAI may also mandate that even DPO bouquets carry NIL discounts.** The is the best and least complicated way forward as suggested by some stake holders including a reputed media in this area M/s 'Satellite & Cable TV'. Instead TRAI may allow DPOs to offer long term subscription discounts for 6 months and above on both NCF+Pay channel subscription in view of advance payment and foregone commercial rate of interest, **with due care not to make subscriber binding or lock in any channel/ bouquet during such period i.e., discounts should be on average daily burn rate (DBR) basis.**

4. As expressed by many stakeholders, the first step to address evaporation of affordability esp in the lower price segments below Rs. 250-300 per month, **NCF should be made on a per channel basis exclusively selected by subscriber with a bare minimum assured revenue of Rs. 50 incl of taxes for some minimum number of pay/ FTA channels., may be 25-30 channels to be exclusively selected by subscriber.** The way the FTA channels are being thrown at subscribers with no charges/ complimentary basis currently indicates DPOs sheer motivation to earn more by carriage fees from FTA channel owners rather than earnings by extra NCF beyond Rs. 130+taxes for more than 100 channels. Customer having paid for STB, installation, regular service etc., and also paying for each pay channel, let DPOs also earn NCF revenue rather than being offered the same on a platter at Rs. 130+ taxes p.m. collected even from the bottom most segment customer., to whom the same DPOs were providing minimum set of pay & FTA channels before NTO roll out at Rs. 99 inclusive of taxes.

5. Ideally DD channels being content of public broadcaster should be offered totally free of NCF. However not to burden subscribers & not to be seen taking undue benefit out of DPO network, DD channels may carry NIL NCF upto 4-5 channels including regional language channels and chargeable beyond that at NCF rate., for which TRAI as a relaxation should allow DPOs to offer any no. of FTA channels ONLY on 'no extra charge basis' even when subscriber explicitly doesn't opt for them.