

**RESPONSE TO CONSULTATION PAPER ON “ISSUES RELATED TO  
IMPLEMENTATION OF DIGITAL ADDRESSABLE CABLE TV  
SYSTEMS”**

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- 1) What should be the minimum number of free- to- air (FTA) channels that a cable operator should offer in the basic-service-tier (BST)? Should this number be different for different states, cities, towns or areas of the country? If so, what should be the number and criteria for determination of the same?

**This can be retained in terms of the regulation formulated for CAS with a provision to include regional channels of the respective regions of service.**

- 2) In the composition of BST, what should be the genre-wise (entertainment, information, education etc.) mix of channels? Should the mix of channels and/or the composition of BST be different for different states, cities, towns? If so, how should it be?

**The composition of BST should be left for the MSO to decide since the MSO is aware of the local subscriber’s tastes and choices.**

- 3) What should be the price of BST? Should this price be different for different states, cities, towns or areas of the country? If so, what should be the price and criteria for determination of the same?

**The rates for BST should be uniform across the country.**

**The rates fixed by TRAI for CAS areas may be retained since they are already accepted by all stakeholders.**

- 4) What should be a-la-carte rate of channels that form part of BST? Should there be a linkage between a-la-carte rate of channels in the BST to the BST price or average price of a channel in the BST? If so, what should be the linkage and why?
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Should the retail tariff be determined by TRAI or left to the market forces? If it is to be determined by TRAI, how should it be determined?

**Yes TRAI should determine the retail tariff genre wise. It should not be based on the TRPs.**

- (a) Should the a-la-carte channel price at the retail be linked to its wholesale price? If yes, what should be the relation between the two prices and the rationale for the same?

**No.**

- (b) Should there be a common ceiling across all genres for the pay channels or different ceilings for different genres? What should be the ceilings in each case and the reasons thereof?

**TRAI may prescribe different rates for different genres of channels keeping in view the interest of the subscriber.**

- (c) Should there be a common ceiling across all genres for the FTA channels or different ceilings for different genres? What should be the ceilings in each case and the reasons thereof?

**Since FTA channels are also available on a-la-carte the common ceiling should not overburden the subscriber.**

- (d) Any other method you may like to suggest?

Does any of the existing clauses of the Interconnection Regulations require modifications? If so, please mention the same with appropriate reasoning?

**The interconnect agreement should be viable for both MSO and Broadcaster and should not be one sided.**

Revenue sharing between the MSO and LCO:

- a) Should the subscription revenue share between the MSO and LCO be determined by TRAI or should it be left to the negotiations between the two?

**The subscription revenue share between MSO & LCO may should be left for negotiations between both of them with a cap on the upper limit.**

- b) If it is to be prescribed by TRAI, what should be the revenue share? Should it be same for BST and rest of the offerings?

**As per TRAI's decision in the interest of the stakeholders.**

Provision for 'Must Carry':

- i. Should the 'must carry' provision be mandated for the MSOs, operating in the DAS areas?

**The 'must carry' provision could be mandated only for the Public Broadcaster network channels.**

- ii. In case the 'must carry' is mandated, what qualifying conditions should be attached when a broadcaster seeks access to the MSOs network under the provision of 'must carry'?

**Excepting the public broadcaster no other broadcaster may seek access for 'must carry'.**

- iii. In case the 'must carry' is mandated, what should be the manner in which an MSO should offer access of its network, for the carriage of TV channel, on non-discriminatory terms to the broadcasters?

**It should be duly notified by the ministry.**

Carriage fee:

- i. Should the carriage fee be regulated for the digital addressable cable TV systems in India? If yes, how should it be regulated?

**No.**

- ii. Should the quantum of carriage fee be linked to some parameters? If so what are these parameters and how can they be linked to the carriage fee?

**As per the negotiations between the broadcaster and MSO**

- iii. Can a cap be placed on the quantum of carriage fee? If so, how should the cap be fixed?

**NO**

Standard Interconnection Agreements:

Should TRAI prescribe a standard interconnection agreement between service providers on similar lines as that for notified CAS areas with conditions as applicable for DAS areas? If yes, why?

**Yes in the interest of the subscribers and for the benefit of all concerned stakeholders. There should be provision to ensure compliance of the regulations and initiation of punitive action in the event of non compliance.**

- i. Do you agree with the norms proposed for the Quality of Service and redressal of consumer grievances for the digital addressable cable TV systems? In case of disagreement, please give your proposed norms alongwith detailed justifications.

**There has to be a system to monitor whether the norms are complied with or not.**

- ii. Please specify any other norms / parameters you may like to add with the requisite justifications and proposed benchmarks.

**There have to be periodic checks for compliance of the laid norms/parameters**

New Issues raised by Stake holders

Obligations of MSO and LCO towards ensuring the QoS and redressal of consumer grievances:

- i. Who should (MSO/LCO) be responsible for ensuring the standards of quality of service provided to the consumers with respect to connection, disconnection, transfer, shifting, handling of complaints relating to no

signal, set top box, billing etc. and redressal of consumer grievances?  
Please elaborate with reasons.

**It has to be the responsibility of the respective MSO and LCO to ensure the standards of quality of service because they are in direct contact with their respective subscribers.\**

- ii. Whether Billing to the subscribers should be done by LCO or should it be done by MSO? In either case, please elaborate how system would work.

**MSO has the Subscriber Management System installed at its Head End and therefore the Billing to the subscribers should be done by the MSO and also the complaints of the subscriber should be routed through the customer care of the MSO.**

Pre-paid billing:

Should pre-paid billing option be introduced in DAS. Please justify your answer.

**Yes. This concept is successfully functional in the telecom services and DTH services.**

#### **Chapter V:Miscellaneous Issues**

Broadcasting of Advertisement free (ad-free) channels

- A- Whether an ad-free channel is viable in the context of Indian television market? Please elaborate with appropriate reasoning.

**Yes**

- B- Should there be a separate prescription in respect of tariff for ad-free channels at both the wholesale and retail level? Please elaborate with appropriate reasoning.

**No the market forces shall determine.**

- C- What should be the provisions in the interconnection regulations in respect of ad-free channels? Please elaborate with appropriate reasoning.

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**D-** What should be the revenue sharing arrangement between the broadcasters and distributors in respect of ad-free channels? Please elaborate with appropriate reasoning.

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**E-** Any other relevant issue that you may like to raise or comment upon.

- 1. Currently the broadcasters are providing IRDs with analogue output even in the areas where the digitalization has been implemented. They are resisting to provide the IRDs with digital output. There have to be certain regulations in this regard.**
- 2. If in the event the BIS standards are revised for STBs under DAS then what would be the status of already deployed addressable STBs complying to the existing BIS standards?**
- 3. The most important aspect is that the Entertainment Tax levied by the respective State Governments should be abolished across the country. Since the Broadcasting and Cable TV services are regulated by the Central Government authority and the Service Tax is also governed by the Central Government the levy of Entertainment Tax amounts to double taxation on the services. Further the entertainment tax varies from state to state and is not levied in some states. Also the entertainment tax is charged on fixed amount and is not based on the percentage of the subscription collected.  
For example FTA / BST is fixed @ 77/- and the service tax thereon would be Rs.8/-(approx) and in addition the Entertainment Tax levied in Maharashtra is Rs.45/- the total subscription payable by a DAS subscriber would be Rs.130/-. The tax burden on the subscriber is almost 69% of the basic subscription charges which is against the very basic intention of keeping in view the interests of subscribers.**
- 4. The regulations in terms of tariff and interconnection should be necessarily similar for both DAS and DTH platforms.**

Non-addressable digital set top boxes

In case you have any view or comment on the non-addressable STBs, you may please provide the same with details.

**The subscriber in this case cannot choose his preference of channels, rather he will have to subscribe to the entire bouquet of channels offered by the service**

**provider. The non-addressable STBs have no accountability in terms of subscriber base as well as in terms of the channels being watched or subscribed to by the subscriber.**

Reference point for wholesale price post DAS implementation

Would there be an impact on the wholesale channel rates after the sunset date i.e. 31st Dec 2014, when the non-addressable systems would cease to exist? If so, what would be the impact? Please elaborate with details.

**The situation of supply and demand then, will determine this factor**