

**Issues for Consultation –TRAI Consultation Paper on
“Issues related Implementation of Digital Addressable
Cable TV Systems” dated 22.12.11**

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?

Answer: The minimum number of free to air (FTA) channels that cable operator should offer in the basic service tier (BST) should be 30 channels. This number should be the same for different states, cities, towns or areas of the country.

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?

Answer: The composition of BST should be decided by market forces and must include regional channels relevant to that region.

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?

Answer: The price of BST should be Rs.60/-. The price should be the same for different states, cities, towns or areas of the country.

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?

Answer: The retail a-la-carte price will be arrived at by dividing the price of the BST by the number of channels in BST. Keeping the above formula in mind the ala-carte price for an FTA channel would be Rs.2/-

Retail Tariff for the Digital Addressable Cable TV Systems

5. 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?

Answer: The retail tariff should be left to market forces.

(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?

Answer: The retail price should be left to market forces with the condition that the margin of MSO should not be more than 50% of the wholesale price.

(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?

Answer: There should be a common ceiling percentage-wise for all channels.

(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?

Answer: Please refer to answers given in Point No. 3 and 4 above.

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

Answer: NA

Interconnection in the Digital Addressable Cable TV Systems

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

Answer: The existing clause of Interconnection Regulations applicable to DTH may be adopted with suitable technical changes applicable to DAS.

7. 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?

Answer: This should be left to negotiation between the MSO & LCO

8. 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?

Answer: NA

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

Answer: Yes, it must be mandated. MSOs operating in DAS areas must carry the local regional language channel of the region, all Hindi, Urdu and all Indian English channels.

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

Answer: As there is no qualifying conditions mandated in the must provide clause, there should not be any qualifying conditions for must carry and channels to be carried as mentioned in answer to question 9, must prevail.

11. 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?

Answer: All channels should feature genre-wise in the EPG of MSO

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

Answer: Yes, carriage / placement fee should be regulated and it should not exceed 10% of the subscription fee collected for the channels not covered under the must carry mandatory clause.

13. 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?

Answer: Refer answered to question 12.

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

Answer: Refer answered to question 12.

15. 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?

Answer: Yes, TRAI should prescribe a standard interconnection agreement as the RIO system prescribed by TRAI is working well.

Quality of Service Standards for the Digital Addressable Cable TV System

16. 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 along with detailed justifications.

Answer: Yes, we agree that norms should be prescribed for the quality of Service and redressal of consumer grievances for the digital addressable cable TV systems. The norms for quality of service of DTH is good and should apply to DAS.

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

Answer: NA

18. 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?

Answer: Both MSO / LCO must be responsible.

19. 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.

Answer: Since the questions relates to MSO/LCO, it is best that the answer is given by them.

20. Should pre-paid billing option be introduced in Digital Addressable Cable TV systems?

Answer: Pre-paid billing option should be introduced in DAS as it is an effective mode of payment and brings in transparency.

Miscellaneous Issues Broadcasting of Advertisement free (ad-free) channels

21. Whether an ad-free channel is viable in the context of Indian television market?

Answer: Yes

22. Should there be a separate prescription in respect of tariff for ad-free channels at both the wholesale and retail level?

Answer: Should be left to market forces.

23. What should be the provisions in the interconnection regulations in respect of ad-free channels?

Answer: Flexibility is must be provided to broadcaster to fix tariff and also the revenue share between the broadcaster and MSO /LCO.

24. What should be the revenue sharing arrangement between the broadcasters and distributors in respect of ad-free channels?

Answer: Refer answer to question 23.

Non addressable digital Set top boxes

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

Answer: Use of non-addressable STBs should be prohibited not only for areas demarcated for phase I of digitisation but across country since replacement of these boxes later can delay overall digitisation timelines.. Not only that, usage of non5 addressable STBs, which are not BIS compliant is illegal and BIS does not approve of non-addressable STB's and therefore there is no rationale for usage of such STB's.

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

Answer: It will defined by market forces at that point of time.

27. Any other relevant issue that you may like to raise or comment upon.

Answer: No other comments at present.