

Zoom Entertainment Network Ltd.

Registered Office: Trade Garden, 1st Floor, Kamala Mills Compound, S B Marg, Lower Panel (W), Mumbai - 400 013, India.
Tel: 91-22-24810000. Fax: 91-22-24908711. Website: www.zoomtv.in

January 30, 2012

Mr. Wasi Ahmed
Advisor (B&CS)
Telecom Regulatory Authority of India
Mahanagar Doorsanchar Bhawan,
Jawaharlal Nehru Marg,
New Delhi- 110 002

Dear Sir,

Response to TRAI Consultation paper No 18/2011 on issues related to "implementation of Digital Addressable Cable TV System"

At the outset we welcome the various steps taken by TRAI for systematic and phased implementation of Digital Addressable Cable TV System particularly the issuance of present consultation paper. Our views on issues for consultation on implementation of Digital Addressable Cable TV System are as follows:

Issues for Consultation and our Reply :

Basic Service Tier for the Digital Addressable Cable TV Systems

Issue 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?

Our Reply :

BST to comprise of FTA and Pay channels wherein all FTA channels to be carried in BST without any maximum limit.

There should be slab-wise rates for number of channels in a particular BST.

For e.g.

- (a) BST valued at Rs. 100/- to have 20 Pay channels and other FTA channels.
- (b) BST valued at Rs. 150/- to have 50 Pay channels alongwith other FTA channels.

Issue 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?

Our Reply :



Zoom Entertainment Network Ltd.

Registered Office: Trade Garden, 1st Floor, Kamala Mills Compound, S B Marg, Lower Parel (W), Mumbai - 400 013, India.
Tel: 91-22-24810000. Fax: 91-22-24908711. Website: www.zoomtv.in

As per reply to query 1.

Issue 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?

Our Reply :

As explained in reply to query 1, it should be slab-wise.

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?

Our Reply :

As explained in reply to query 1, it should be slab-wise

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?

With the introduction of DAS there would be adequate competition, hence there would not be any need for price regulation, hence we suggest that the retail tariff be left to the market forces but with the following conditions.

(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?

Yes, but not more than 100% of wholesale rate. We are of the view that the retail and whole sale price must be linked, which would otherwise give an unfettered rights to the Cable operators to charge the price which would be not only be detrimental to the channel owners but also affect the consumers adversely.

(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?



Zoom Entertainment Network Ltd.

Registered Office: Trade Garden, 1st Floor, Kamala Mills Compound, S B Marg, Lower Parel (W), Mumbai - 400 013, India.
Tel: 91-22-24810000. Fax: 91-22-24908711. Website: www.zoomtv.in

There should be no ceiling and further there should be no regulation for ceiling between different genres.

(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?

As explained in reply to query 5(b).

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

As explained in reply to query 5(b).

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?

Our Reply :

We would like to draw the attention of the Authority from the Broadcaster point of view, we suggest that the authority should revisit/ incorporate the following issues as follows:

Disconnection of Signals:

The Clause 4.3 of the Regulation provides for the public notice for disconnection of TV channel signals in the newspapers. The clause can be modified to simplify the process of informing public at large about the disconnection of the network. Instead of "in two national newspapers" the public notice should be taken out in a local newspaper in local language or English language. Further, on-screen scrolls can be an effective manner to inform the viewers, which will be a cost-effective for the Broadcasters.

Since there will be addressability and the kind of disputes, which resulted in deactivation will decrease rapidly and especially since disputes may be of the such nature that may challenge addressability we recommend that 7 days notice is sufficient to be given.

Lastly, in the event of piracy / breach of addressable system by the MSO/ LCO the broadcaster should be free to switch off immediately without notice.



Zoom Entertainment Network Ltd.

Registered Office: Trade Garden, 1st Floor, Karmala Mills Compound, S B Marg, Lower Parel (W), Mumbai - 400 013, India.
Tel: 91-22-24810000, Fax: 91-22-24908711, Website: www.zoomtv.in

SMS & CAS: SMS and CAS should be integrated to avoid any difference in active subscriber numbers. It should be made obligatory on the MSO to regularly provide detailed report of the subscribers.

Anti Piracy Obligation: There should be Anti Piracy obligation on the MSO to combat piracy but implementation of strict measures.

For those operators who have not adhered to the movement to DAS, involved in piracy and unauthorized transmission and not complied with the Regulations, the "Must Provide" provision should be amended to not be applicable to such operators.

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?

Our Reply :

Should be kept open to negotiation but with a minimum limit for the share of LCO as MSOs may have an upper hand in negotiations.

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?

Our Reply :

The MSOs and LCOs should share the revenue for as per the agency commission range of 15 to 20%.

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

Our Reply :

Yes, the "Must Carry" provision must be mandated for the MSOs operating in the DAS Areas.

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'?

Our Reply :



Zoom Entertainment Network Ltd.

Registered Office: Trade Garden, 1st Floor, Kamala Mills Compound, S B Marg, Lower Parel (W), Mumbai - 400 013, India.
Tel: 91-22-24810000, Fax: 91-22-24908711, Website: www.zoomtv.in

In our opinion "Must carry" to be linked to "Must Provide" provisions and if capacity constraint is the only reason that restricts the MSO to carry any channel then TRAI should intervene to decide the same.

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 nondiscriminatory terms to the broadcasters?

Our Reply :

As per reply to query 10.

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

Our Reply :

With implementation of DAS the disputes on the issue of Carriage would be reduced. We suggest that the carriage fee may be left to the negotiation between the parties and market forces.

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?

Our Reply :

As we are of the view that carriage fee should be not be regulated, carriage fee be left to the negotiation between the parties and market forces.

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

Our Reply :

Immaterial in view of the reply to query 13 & 14.

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?

Our Reply :



Zoom Entertainment Network Ltd.

Registered Office: Trade Garden, 1st Floor, Kamala Mills Compound, S B Marg, Lower Parel (W), Mumbai - 400 013, India.
Tel: 91-22-24810000. Fax: 91-22-24908711. Website: www.zoomtv.in

We feel the same should be left for mutual negotiations between the MSO/LCO and Broadcasters.

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 alongwith detailed justifications.

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

Our Reply :

The norms for the Quality of Services under CAS and DTH should be rationalized for DAS.

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?

Our Reply :

In our opinion MSO should 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

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.

Our Reply :

MSO should do the billing but clearly specifying the name of the LCO as the LCO will be collecting the monthly billing and representing the MSO for providing the services.

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



Zoom Entertainment Network Ltd.

Registered Office: Trade Garden, 1st Floor, Kamala Mills Compound, S B Marg, Lower Parel (W), Mumbai - 400 013, India.
Tel: 91-22-24810000. Fax: 91-22-24906711. Website: www.zoomtv.in

Our Reply :

Yes of course pre-paid billing option should be introduced in Digital Addressable Cable TV systems, as it will facilitate payment of monthly fees. The same has been very successful mode of payment in DTH as well as other industries like Telecom.

Miscellaneous Issues

Broadcasting of Advertisement free (ad-free) channels

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

Our Reply :

Yes. In our opinion an ad-free channel is viable in the context of Indian television market. Ad-free channels need not be regulated at this stage as its premature to perceive the market response.

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

Our Reply :

Forbearance. This can be reviewed when the market for such channels is matured.

23. What should be the provisions in the interconnection regulations in respect of adfree channels?

Our Reply :

Forbearance as explained in reply to query 21 and 22.

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

Our Reply :

As suggested above the forbearance; hence the revenue sharing should be left at the market force and on the basis of agreed terms between the broadcasters and the MSOs.



Zoom Entertainment Network Ltd.

Registered Office: Trade Garden, 1st Floor, Kamala Mills Compound, S B Marg, Lower Parel (W), Mumbai - 400 013, India.
Tel: 91-22-24810000. Fax: 91-22-24908711. Website: www.zoomtv.in

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.

Our Reply :

In our opinion Non-addressable STBs, should be made illegal and use of the same should be prohibited. Otherwise, the entire purpose of implementation of DAS will become infructuous.

Reference point for wholesale price post DAS implementation

26. 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?

Our Reply :

It would be premature to comment.

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

Our Reply :

We are open to discuss this alongwith our views on digitization at the appropriate time in person.

Thank you,

Yours truly,

For Zoom Entertainment Network Limited



Aamod Gupte
VP – Legal and Business

