

Response to Consultation Paper No. 05/2022 | Consultation Paper on Issues related to New Regulatory Framework for Broadcasting and Cable services

Date	16-May-2022
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Subject	Response to Consultation Paper No. 05/2022 Consultation Paper on Issues related to New Regulatory Framework for Broadcasting and Cable services

Response submission to Issues for consultation Paper No. 05/2022		
Sr	Question	Response - Suggestions
A	Ceiling on MRP of channels provided as a part of Bouquet:	
A-Q1	<p>Should TRAI continue to prescribe a ceiling price of a channel for inclusion in a bouquet?</p> <p>a. If yes, please provide the MRP of a television channel as a ceiling for inclusion in a bouquet. Please provide details of calculations and methodology followed to derive such ceiling price.</p> <p>b. If no, what strategy should be adopted to ensure the transparency of prices for a consumer and safeguard the interest of consumer from perverse pricing? Please provide detailed reasoning/ justifications for your comment(s).</p>	<ol style="list-style-type: none"> 1. YES, TRAI continue to prescribe a ceiling price of a channel, and also include independence of channel's genre, transmission technology (DTH, Cable TV, OTT, Internet etc.), encoding quality (SD/HD/UHD/4K etc.), and independent of being the part of any bouquet or not. 2. MRP = max ₹ 12 pm (irrespective of technology, encoding technique, etc. e.g., SD, HD or UHD or 4K etc. in future). 3. This independence of technology and encoding will encourage for best available audio and video quality transmission to viewers and will de-complicate the process. 4. Barring few channels, across genre, most of the channels MRP is below ₹ 12. This indicate the MRP of a channel has insignificant role in the overall business model of the channel. The major revenue by a channel is drawn through other means (advertisement, partnership for continent, funding and objective of the channel presence etc. and expenses on channels are reduced by telecast of retro/repeat contents. 5. Thus, even for channels where MRP is fixed above the ceiling price, MRP is unrelated to the expenses incurred on channel but rather MRP is used to further maximize the revenue of high demand of exclusive contents (e.g., broadcast rights of live sports events).
A-Q2	<p>What steps should be taken to ensure that popular television channels remain accessible to the large segment of viewers. Should there be a ceiling on the MRP of pay channels? Please provide your answer with full justifications/reasons.</p>	<ol style="list-style-type: none"> 1. MRP for every channel must be capped and it should be independent of its genre, transmission technology (DTH, Cable TV, OTT, Internet etc.) and independent of being the part of any bouquet or not. 2. MRP of a channel must be same across all the platforms. E.g., If the MRP of a channel is ₹X with one service provider, it cannot be Y or FTA on other service provider (DTH or cable TV or OTT or any

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		<p>other platform). It must be uniform across all carriage service providers.</p> <ol style="list-style-type: none"> 3. TRAI may also consider for upward revision of NCF (say ₹190) with the condition that service provider to credit this amount to customer account and setoff daily against the channels and bouquet subscribed by the customer. 4. This will encourage broadcaster and service providers to price channel MRP and bouquet pricing on fair value. 5. This will also boost and ensure a minimum revenue from customers, increasing the business viability of the service providers. 6. Other justifications/reasons as above for A-Q1.
B	Ceiling on Discount structure on Bouquet pricing:	
B-Q3	<p>Should there be ceiling on the discount on sum of a-la-carte prices of channels forming part of bouquets while fixing MRP of bouquets by broadcasters? If so, what should be appropriate methodology to work out the permissible ceiling on discount? What should be value of such ceiling? Please provide your comments with justifications.</p>	<p>For ease of understanding for consumers and 'issues' raised by some stakeholders on this, TRAI may consider notifying followings to all broadcasters for MANDATORY compliance:</p> <ol style="list-style-type: none"> 1. providing all customers with the CUSTOMIZED bouquet as the second option, first being the La-carte and third and subsequent option as broadcaster's offerings. 2. In customer created bucket, it should be as easy as to tick/pick & drop the la-carte channel to its basket and service provider should indicate its total MRP along with the % discount offered and net price to customer for this. 3. Broadcaster and service providers may offer any discount in % on the customized bouquet on total MRP of channels. The offered discount can only vary based on the number of non FTA channel selected by customers and must be unrelated to the inclusion of exclusion of any channel selected by the customer in its customer bouquet. 4. The % discount on the customized bouquet must be more than or equal to the highest % discount offered on any of the bouquet by the broadcaster and service provider. 5. All bouquets from the broadcasters and the service provider platforms should be available across customers. Broadcaster and service provider must have the uniform pricing to all the customers.

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B-Q4	<p>Please provide your comments on following points with justifications and details:</p> <p>a. Should channel prices in bouquet be homogeneous? If yes, what should be an appropriate criterion for ensuring homogeneity in pricing the channels to be part of same bouquet?</p> <p>b. If no, what measures should be taken to ensure an effective a-la carte choice which can be made available to consumers without being susceptible to perverse pricing of bouquets?</p> <p>c. Should the maximum retail price of an a-la-carte pay channel forming bouquet be capped with reference to average prices of all pay channels forming the same bouquet? If so, what should be the relationship between capped maximum price of an a-la-carte channel forming the bouquet and average price of all the pay channels in that bouquet? Or else, suggest any other methodology by which relationship between the two can be established and consumer choice is not distorted.</p>	<ol style="list-style-type: none"> 1. Should channel prices in bouquet be homogeneous? – No need for now. 2. Any effort to do so will only complicate the process and however good it may be, is likely to be challenged in court to derail or delay the entire process. 3. A possible way out to achieve the same is as mentioned in suggestion/response of B-Q3.
B-Q5	<p>Should any other condition be prescribed for ensuring that a bouquet contains channels with homogeneous prices? Please provide your comments with justifications.</p>	<ol style="list-style-type: none"> 1. Same as above mentioned in suggestion/response of B-Q3 and B-Q4.
C	Additional discount offered by broadcasters to DPOs:	
C-Q6 (Erroneously mentioned)	<p>Should there be any discount, in addition to distribution fee, on MRP of a-la-carte channels and</p>	<ol style="list-style-type: none"> 1. There is no need for TRAI to get into the regulation of relationship among intermediary, but only to facilitator.

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as Q5 in consultation paper - typo error)	bouquets of channels to be provided by broadcasters to DPOs? If yes, what should be the amount and terms & conditions for providing such discount? Please provide your comments with justifications.	<ol style="list-style-type: none"> 2. It should be best left among them with TRAI only be a facilitator. 3. TRAI must focus on easing complication in regulations and move to a facilitator role. 4. TRAI must focus on last mile pricing regulation i.e., between broadcaster/service providers and end customer.
D	Any other matter related to the issues raised in present consultation	
D-Q7 (Erroneously mentioned as Q6 in consultation paper - typo error)	Stakeholders may provide their comments with full details and justification on any other matter related to the issues raised in present consultation.	<p>There are few persistent issues from end user prospective, which TRAI may review the followings:</p> <ol style="list-style-type: none"> 1. For bringing uniformity among channel number across various service providers. <ol style="list-style-type: none"> a. Presently, same channel is transmitted at different channel numbers by various service provider. This is difficult for customer to remember when migrating to other service providers (for any reason, including relocation and staying in hotels etc.). b. If the authority which is giving permission to operate a channel, also allocate a channel number for transmission and that is made MANDATORY for all service providers to follow, will help a lot. 2. For unlocked interoperable STBs <ol style="list-style-type: none"> a. TRAI should fix a deadline, by which, all new STB installation should happen with unlocked interoperable STBs and all faulty STBs should be replaced with unlocked interoperable STBs. 3. For Easy navigation on remotes (not sure if TRAI can consider this but may pass to service providers as suggestions). <ol style="list-style-type: none"> a. Remote up channel button passes through all the channels, whether subscribed to or not. Remote should have a one button to select on how user want to operate the channel shuffle button. With this, user can select if the user wants to pass through ALL channels or ONLY to the 'subscribed' channels. And this is possible, DSS DTH (in Africa) has this facility from last 6 years at least and it is possible to have this in remote. b. To add a channel in the favorite list, it is a complicate process. Service provider must provide an 'one button' option to add the current channel into the favorite list and this is also possible.

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