

**Counter Comments to the Consultation Paper on “Interconnection Framework For Broadcasting TV Services Distributed Through Addressable Systems”**

It is really encouraging to see the response to the Consultations coming from all the business stakeholders and we appreciate the plurality of views expressed across various entities.

While the responses are on predictable lines, we request the Authority to look at our counter comments from the prism of:

- i. Consumer
- ii. Small & Medium sized Enterprises in the Trade.

While we understand that Interconnection regulations are formulated for framing rules & regulations governing Inter-stakeholder relationship, but for any business ecosystem to meet its objectives and flourish, consumers are a key stakeholder who is the end user and in this context we urge that the present Consultation paper should lend due credence and weightage to the Consumer.

Consultations hitherto have ignored and dismissed this concern and the comments and counter comments clearly bring out consumer fatigue.

While this consultation paper seeks to achieve some vital concerns and the previous consultation papers have been deliberated at length on various aspects like QoS / Tariff etc. what the consumers wish to experience are the following:

- i. Complete Transparency in knowing the Price of a channel/bouquet of channels.
- ii. The freedom to select and choose channels at price points comfortable to them without being coerced to subscribe to channel/s at inflated price.
- iii. Adherence to Minimum Quality of Service standards.
- iv. Fairness and Equitableness while selecting any distribution platform of their choice.

Today Consumers are today saddled by an ecosystem, where they are:-

- a. Forced to take bundled set of services/channels, most of which are never ever sought or watched.
- b. Finds Different price for the same set of channel/s or for bouquet/s with almost same or similar channels, offered by different DPO's.
- c. Has to pay higher subscription Rates, especially when on one hand the customer does not get channels of their choice and on the other hand channels not sought for are being forced to be taken at obnoxiously higher price. **Consumers should be allowed to subscribe to channels ala-carte, at a fixed Retail rate, which should be common across all distribution platforms.**
- d. Consumer finds that the same channel is available at different Pricing, when placed by DPOs on different LCN numbers or just because it is offered in a different bouquet.

When one views the entire value chain, we believe that the Integrated Distribution Model is the only model which can ensure maximum transparency and equitableness for all, especially the small and

medium sized enterprises. The current model that is followed / proposed by some stakeholders are both unfair to the Consumer and the smaller business entities and we apprehend that unless this is changed there will be no smaller player or any plurality left in the business.

We also urge the Authority to completely disassociate Pay channel Subscription from Carriage, Placements and Marketing, as they are fundamentally two separate / incongruous activities originating from two separate Stakeholders.

Clubbing them together in a single document or relating the 2 together will have:

- a. Tax implications
- b. DPO's losing out on revenues
- c. Consumer being forced to subscribe to unpopular channels
- d. Higher cost to the Consumer
- e. Smaller and FTA channels not getting equal opportunity to Placements

Let's take the prevailing instance where a DPO is lured with preferential pricing to avail fiscal discounts by the broadcasters on the condition of placing their channels in the Basic tier. This so called "Incentive" leads to the channels of the said broadcaster being necessarily made available to all subscribers in the Basic Tier only ( as per the pre-condition) so as to enable the DPO enjoy favourable / discounted pricing from the Broadcaster.

However this situation may turn counterproductive if a couple of subscribers or a small percentage of subscribers do not wish to subscribe to the Basic Tier and insist on choosing channels on ala-carte basis, thereby impacting the entire tariff model and the resultant breach of contractual obligations between the DPO and the Broadcaster. Thus the scenario throws open the probability of break down in the pricing mechanism as it assumes inflexibility of the subscribers in availing a-la-carte options, which, when exercised by the subscribers, leads to chaos amongst the value chain.

We humbly urge the Authority to take an objective view encompassing all aspects of the Trade and its Stakeholders so that a healthy regulatory framework is prescribed.