

Information Note to the Press [Press Release No. 29/2022]

For Immediate Release

Telecom Regulatory Authority of India

TRAI releases Consultation paper on Issues related to New Regulatory Framework for Broadcasting and Cable services

New Delhi, 7th May 2022: Telecom Regulatory Authority of India (TRAI) today issued Consultation paper on Issues related to New Regulatory Framework for Broadcasting and Cable services.

2. In consonance with the complete digitization of the cable TV sector, TRAI on 3rd March 2017 notified the 'New Regulatory Framework' for Broadcasting and Cable services After passing legal scrutiny in Hon'ble Madras High Court and Hon'ble Supreme Court, the new framework came into effect from 29th December 2018.

3. Upon implementation of the New Regulatory Framework 2017, TRAI noticed some inadequacies impacting the consumers. As the New Regulatory Framework changed quite a few business rules, many positives emerged. To address certain issues that arose after implementation of new regulatory framework, after a due consultation process with stakeholders, TRAI on 01.01.2020 notified the New Regulatory Framework 2020.

4. Some stakeholders challenged provisions of Tariff Amendment Order 2020, Interconnection Amendment Regulations 2020 and QoS Amendment Regulations 2020 in various High Courts including in the Hon'ble High Court of Bombay and Kerala. Hon'ble High Courts upheld the validity of New Regulatory Framework 2020 except for a couple of provisions.

5. The provisions related to Network Capacity Fee (NCF), multi-TV homes and long term subscriptions of New Regulatory Framework 2020, have already been implemented and due benefits are being passed on to the

consumer at large. Every consumer now can get 228 TV channels instead of 100 channels earlier, in a maximum NCF of Rs. 130/-. It has enabled consumers to reduce their NCF for availing similar number of channels as per 2017 framework, by an estimated cost varying Rs. 40/- to 50/-. Additionally, the amended NCF for multi-TV homes have enabled further savings to the tune of 60% on second (and more) television sets.

6. However, as per RIOs filed by the broadcasters, the new tariffs reflect a common trend i.e., the prices of their most popular channels including sports channels were enhanced beyond Rs. 20/-per month. Complying to the extent provisions, as regards the inclusion of pay channels in a bouquet, all such channels those are priced beyond Rs. 12/- per month are kept out of bouquet and are offered only on a-la-carte basis. The revised RIOs as filed indicate a wide-scale changes in composition of almost all the bouquets being offered.

7. Immediately after new tariffs were announced, TRAI received representations from Distribution Platform Operators (DPOs), Associations of Local Cable Operators (LCOs) and Consumer Organizations. DPOs highlighted difficulties likely to be faced by them in implementing new rates in the system and migrating the consumers to the new tariff regime through the informed exercise of options impacting almost all bouquets, especially due to upward revision in the rates of pay channels and bouquets declared by broadcasters. Therefore, TRAI engaged with all the different associations and consumer groups including representatives of LCOs.

8. To deliberate on the various issues related to implementation of New Regulatory Framework 2020 and suggest a way forward, a committee consisting of members from Indian Broadcasting & Digital Foundation (IBDF), All India Digital Cable Federation (AIDCF) & DTH Association was constituted under the aegis of TRAI.

9. The purpose of the Committee was to facilitate discussions among various stakeholders to come out on a common agreed path for smooth implementation of Tariff Amendment Order 2020. Stakeholders were advised to come out with an implementation plan with minimum disruptions and hassles to the consumers while implementing the New Regulatory Framework 2020.

10. The Committee listed several issues related to New Regulatory Framework 2020 for consideration. The stakeholders, however, requested TRAI to immediately address critical issues which could create impediments for smooth implementation of Tariff Amendment Order 2020.

11. In order to address the issues as identified by the stakeholders' committee; the Authority is issuing this consultation paper for seeking stakeholders' comments on points / issues which are pending for full implementation of New Regulatory Framework 2020. This paper primarily discusses issues related to discount given in the formation of the bouquet, ceiling price of channels for inclusion in bouquet, and discount offered by broadcasters to DPOs in addition to distribution fee.

12. Written comments on the consultation paper are invited from the stakeholders by 30th May 2022. Counter comments, if any, may be submitted by 6th June 2022. The comments and counter-comments may be sent, preferably in electronic form on the email ID advbcs-2@traigov.in and jtadvbcs-1@traigov.in .

13. For any clarification/ information, Shri Anil Kumar Bhardwaj, Advisor (B&CS) may be contacted at Tel. No. +91-11-23237922.

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