ANGUISHED PLEA OF A LCO

Scatmag features an anguished plea of a LCO who is requesting deferment of the NTO 3.0

A Heartfelt Note from a Local Cable Operator, who will be forced to shut down his business, owing to recent TRAI's amendments and increased Pay TV channel Prices.

Respected Sir,

This is with reference to the recent significant increase in Pay TV channel Prices by the Broadcasters like Star, Sony, Zee, Viacom and SUN TV after the new amendment released by TRAI dated 22nd Nov 2022.

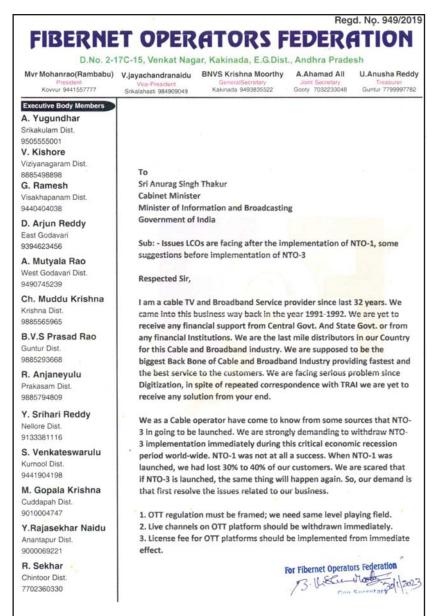
Sir, with all due respect, we would like to highlight the following:

- Before bringing NTO 1.0 i.e., till 2017 amendment by TRAI, the customer monthly prices were around 180 Rs per month to 220 Rs per month, wherein it was enjoying all the channels, irrespective of any exclusion.
- ◆ After implementation of NTO 1.0 in and around Feb 2019, the Pay TV channel prices had shot significantly from 400 -1000%, wherein at least 150 Rs. per month was increased for the consumer i.e., the monthly average shifted to 350 Rs to 500 Rs, which was an increase of nearly 90 to 100%.
- ◆ We, the LCOs has lost nearly, 10,000 to 15000 Customers each in last 3 years due to this increase in price and also due to becoming uncompetitive with the OTT applications and Free Dish. The overall number of LCOs has also reduced significantly in these last 3 -4 years from 2 lakhs to nearly 1.20 lakhs now, wherein many of our peers have migrated to other businesses and had left Cable TV business.
- ◆ Not only this, we have also

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reduced our employees, which were part of our family and have

rendered them jobless. Just to apprise you, the people we



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employ are not from a higher educational background, they are simple graduates and many of them are only educated till Higher secondary. The plight of these people is that they cannot get respectful jobs easily and many of them become jobless or become vegetable vendors or hawkers. We want to bring this

- harsh reality before you, as this is the true picture of a dying industry.
- The Cable TV industry was never a sick industry, but due to unfair competition due to unjust regulations and because of wicked interest of broadcasters, it has been forced to die. We are not against technological

developments, but we are weakened due to unfair and partial government policies.

- Now, again, with the recent amendments from TRAI, dated 22nd November 2022. Broadcasters have increased the prices by 30% to 40%, wherein we are being forced to increase the prices of consumers.
- With our experience with the consumer on ground, we are well aware that many of consumers will switch of their Cable TVs owing to this significant price rise. We again would like to highlight that the consumers we serve are not the highly educated professionals who are earning a lot, whereas they are those who are earning 15000 Rs to 40,000 Rs per month. This is harsh reality because to suffice their other basic needs, they sacrifice for their entertainment.
- We request you to advise and answer our simple questions:
 - Does a middle-class family, which is earning 15000 Rs per month, does not have the right to watch television content like "Kaun Banega Crorepati" or other informative & entertaining content which is helpful to children.
 - ❖ How will an old age couple use the OTT applications, wherein they do not have money to afford broadband. Does they do not have the right to watch the good
 - How will a single person, who has come from a village and is staying in a town/city

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- 4. We demand to frame a new policy for pay channels sharing percentage. Our demand is 50% commission on every pay channel for the LCO's.
- 5. We strictly demand that no pay channel should be Aired on DD Free Dish and on Terrestrial.
- 6. According to TRAI Cable and DTH industry runs hand in hand. The laws and regulations are the same for these 2 industries. DTH provides oneyear free service to the customers. After one-year DTH industry start charging RS. 150/ rupees as service charge. If DTH platform can take service charge because the Cable industry is being deprived from the same. Why TRAI is playing double standard in this respect. We the Cable operator demand the service charge for the same after one year.

Our demand is first to resolve the issues of the Cable Operators with a proper discussion over the table regarding NTO-3. during the launching of NTO-1 TV, Newspapers Advertisements was done for awareness of the consumers. No awareness program has started for NTO-3 to aware the consumers and the Cable operators. For the sake of the Cable TV Operators, we request you to look after the pain this industry is going through and support us to overcome this pain. Hope you will seriously think about our request and do the needful.

National Digital Communications (NDC) Policy that Aims to Provide Broadband Access to Every Indian Citizen at 50 Mbps Speed Can be Achieved before 2025. The fact is that if Indian Wireline Broadband is to Achieve Traction,

"Then only the LCO can Achieve this with FIBER TO THE HOME (FTTH) As Majority of LCO's had Fiber networks Infrastructure"

Thanking you, Yours faithfully,



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- for a job, afford 400 Rs. per month on television.
- Do the lower income people, who are part of our society, does not have right to see India's cricket matches or IPL matches, wherein many of them are now inspired and working hard to make their child good cricketers, footballers, athletics.
- ❖ At one end, we are saying that Children scree (Mobile) time has been increased, and on other hand government is completely trying to

- remove Cable Television from the homes, which was and always will be a prime source for family entertainment.
- ♦ Whatever claims we made, India is still land of poor and middle income group people; wherein families are still earning Rs. 10000 to Rs. 15000 per month and they only have television for their entertainment. They cannot afford broadband, they cannot afford mobile subscriptions of 750 Rs per quarter, they cannot afford subscription charges of
- OTT applications, then Why Government is forcing them to quit their medium of family entertainment also.
- We, the LCOs majorly have lost our customers and also many of us have lost our livelihood, which can be evaluated by decline in overall India cable operator numbers.
- Free Dish is also a medium of providing channels, however as it neither encrypted, nor regulated by TRAI, it has severally hampered and hit our subscriber base in rural areas of India. Due to non-encrypted technology, the same is also misused by few technicians, wherein they are enabling all the channels to free dish customer through Piracy and as the same not regulated nor monitored by any agency, the piracy is prevailing in most of the free dish boxes. The same has now also been expanding to urban areas.
- ◆ Broadcasters have taken the entire regulatory framework by TRAI, as taken for granted, as they are providing "pay channels" on Free Dish, providing decoders for OTT platforms, differential pricing for their OTT apps and linear channels.
- OTT pricing vs linear channel pricing, OTT content vs linear channel content, despite the same customer is served, is highly differential in nature and seems to be a bypass of TRAI's overall regulatory framework for the Cable TV sector.
- ◆ We, therefore, request you with

IDEAL CABLE OPERATORS ASSOCIATION



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Dated: 26-01-2023

To

The Secretary

Telecom Regulatory Authority of India Kolkata

Sub: - Issues that LCOs are facing after the implementation of NTO-1 and due to this pandemic situation and also some suggestions before implementation of NTO-3

Respected Sir,

We, the leading organization of Cable TV & Broadband operators named Ideal Cable Operators Association, wants to keep some observation regarding our business. From some unofficial sources we came to know that NTO-3 in going to be launched. We strongly oppose it. When NTO-1 launched, we had lost 30% to 40% of our customers. We are scared that if NTO-3 is launched, the same thing will happen again. So, our demand is that first resolve some issues related to our business.

- 1. OTT regulation must be framed; we need same level playing field.
- We demand to frame new pay channel price sharing for LCO, our demand is 50% of pay channel price sharing for LCO.
- 3. We strictly demand that no pay channel should be telecasted in DD Free Dish.

Our demand is first resolving these issues before starting any discussion regarding NTO-3. One more thing, at the time of NTO-1 implementation, there were sufficient Ads at TV & Newspapers for awareness to Consumers. But now there is no information to LCO or Consumers. In his situation, for the sake of Cable TV business we request you to defer the NTO-3 & first resolve the LCO issues.

Hope you seriously think about our request.

Thanking you, Yours faithfully,

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our folded hands to save Cable TV industry:

- Reduce the channel prices, so that monthly price of the customers can be reduced, so that LCOs can withhold their subscriber loss.
- Create a mechanism to regulate OTT and Free dish, before implementation of any amendments in NTO 3.0 dated 22nd November 2022

- Stop Linear content from OTT applications.
- Ask Broadcasters to bring more informative content on linear TV.
- Reduce disparity of channel pricing in OTT vs linear channels.
- Reduce disparity of content in OTT vs linear channels
- Postponement of NTO 3.0 regulations for the industry,

- till regulatory level playing field between Free dish, OTT and Linear TV is not achieved.
- ❖ We request you to not be a part & puppet of capitalistic world, sitting in your opulent offices and devoid the India's public at large, which is in villages, small towns & cities from entertainment by increasing their monthly expenditure.

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