**THE BATTLE FOR SURVIVAL FOR CABLE OPERATORS**

The tussle between cable operators and leading broadcasters is testing the grit and determination of the cable community.

The tussle between leading broadcasters and cable operators continued with leading broadcasters and key cable TV platforms continued to be at loggerheads with Disney-Star, Sony, and Zee switching off signals of their channels on leading platforms such as Hathway Digital and DEN Networks. This left millions of TV households without access to popular channels. The broadcasters’ move to disconnect TV services from key Distribution Platform Operators came after these cable TV platforms also known as Multi-System Operators (MSOs) refused to sign fresh distribution agreements or RIO (reference interconnect offers) under NTO 3.0 (New Tariff Order) notified by TRAI.

The All India Digital Cable Federation (AIDCF) on Saturday said that its members are not signing the new agreements as a mark of protest against unreasonable pricing by the broadcasters. The industry body also claimed that the broadcaster’s move has deprived 45 million TV households of entertainment.

The Telecom Regulatory Authority of India (TRAI) had notified the amended regulations and NTO 3.0 on November 22, 2022. It was set to come into force on February 1, 2023.

Broadcasters say the price increase will be in the
market report

A range of 5-15% and this is the first such hike in four years. However, cable operators say the price hike could go up to 60%, an exorbitant amount in a price-sensitive market.

“The price increase will result in a cost of close to Rs 5,000 crore to Rs 8,000 crore per annum to consumers, which will largely benefit the broadcasters,” the AIDCF said in a statement.

The broadcasters had notified cable operators, asking them to sign the RIO for NTO 3.0. However, since the Kerala High Court is hearing a case related to its implementation, the AIDCF members decided not to raise channel pricing.

The AIDCF includes top cable companies such as Reliance Industries-owned Hathway, Den, GTPL, Hinduja Group’s NXTDIGITAL, Rajan Raheja Group-owned Asianet Digital Network, and regional cable operators like Kerala Communicators Cable and UCN Cable Network.

TRAI first issued the NTO in December 2018. It was expected to make channels cheaper for the consumers and offer more choices, as it allowed them to pay only for those (channels) they watch at MRP's set by broadcasters, instead of the pre-set bouquets offered earlier. However, in reality, the opposite happened, as the cost of like-to-like channel options went up.

After facing several legal challenges and opposition from the broadcasting industry, it was implemented in February 2019. Eventually, it led to a major shakeup in the TV distribution industry, as consumers had to pay more for their favourite channels, while some niche channels were also impacted due to lower viewership and revenue.

In January 2020, TRAI introduced an amended version of the tariff order, known as NTO 2.0. It reduced the cap on the MRP of individual channels, which can form part of any bouquet, to Rs 12 per month from Rs 19. It also offered customers double the channels (200) under the base network capacity fee (NCF) slab.

After almost three years of litigations and discussions, TRAI brought out NTO 3.0 in November 2022. It decided to continue with the MRP ceiling of Rs 19 for a channel to be a part of a bouquet.

With the matter sub judice now, it remains to be seen how the court verdict will develop.