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CONSUMER GUIDE ON DTH/CABLE TV NETWORK

TRAI REGULATIONS



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Introduction

The Telecom Regulatory Authority of India (TRAI) established in the year 1997 has been regulating the telecom sector for more than two decades. The broadcasting sector was brought under the ambit of TRAI since 2004. During these two decades of existence, TRAI has performed with a mission to create and nurture conditions for growth of telecommunications in the country in a manner and at a pace which will enable India to play a leading role in emerging global information society.

During the year 2017-18, a number of initiatives were taken by TRAI to create a conducive environment for the growth of telecommunications, broadcasting and cable sectors resulting in healthy competitive markets and recognition of India as one of the leading players in the emerging global information society. These measures have also resulted in the overall benefits to the consumer in terms of choice of services, affordable tariff, better quality of services etc.

Broadcasting sector has also been going through

2 CONSUMER GUIDE

transition from analogue to digital era. TRAI has made efforts to meet the regulatory challenges which are being faced by broadcasting sector. In the year 2017-18, TRAI has taken several effective measures in the interest of consumers of broadcasting services. For instance the digitization of the cable sector was one of the important measures taken by TRAI which will empower the consumers and provide them with better service quality and enhanced choices.

TRAI's new regulations came into force from December 29, 2018. Under these regulations, the broadcasters are required to publish the tariffs for each channel as well as packages. Till now, both the cable operators and the DTH service providers had a free run in that. They offered packages designed in such a way that the user was forced to opt for a complete pack for just one channel, while also paying for additional channels that they never actually watched. That is not going to be the case anymore.

From February 1, 2019 the users got the freedom to pick and choose the channels they want from an a-la-carte list, as per the TRAI guidelines. Many users may end up seeing reduced bills from February 1, 2019 onwards if they go through the a-la-carte option.

This hand book clarifies many issues that consumers may have on the new Regulations.

FREQUENTLY ASKED QUESTIONS

1. What was the reason for TRAI to come out with new Regulatory Framework for Television Services?

Digitization of Cable TV distribution makes it possible for each consumer to select TV Channels as per their individual choice. Pursuant to completion of Digitization in March 2017, overhauling of the regulatory framework became essential. Prepared after an extensive consultative process, the new framework empowers the consumers. It takes into account the current techno-commercial factors and also balances the interests of various stakeholders.

2. How is the new Regulatory Framework beneficial to consumers ?

- Transparent display of Channel Price or category as 'Free' on the Electronic Program Guide (EPG) and also on the TV Screen for each channel.
- Freedom to choose what she/he wishes to watch and pay only for that.
- Option of subscribing TV Channels either on a-la-carte basis or as bouquets.

4 CONSUMER GUIDE

- Transparent MRP based regime where consumer has full flexibility and control.
- Mandatory for service providers to issue of proper bills and receipt.
- Mandatory provisioning of call centre for consumers and provision of consumer corner on website.
- Time bound redressal of faults. Provision for refund (no charging) if fault exceeds 72 hours.
- Capping of installation and activation charge @ ₹ 350 and ₹100 respectively.

3. What is the Network Capacity Fee (NCF) ?

‘Network Capacity Fee’ means the amount, excluding taxes, payable by a subscriber to the Distributor of television channels for distribution of TV channels subscribed by that subscriber and it does not include subscription fee for pay channel or bouquet of pay channels, as the case may be. It is a kind of monthly fixed charge for provisioning of the TV Channels. TRAI has prescribed a ceiling of Rs. 130/- per month for use of network capacity of a distributor for providing 100 SD channels to a subscriber. An HD channel is treated as 2 SD channels for the purpose of determining the Network Capacity Fee.

Any subscriber who opts for more than 100 channels

can choose additional channels in each slab of 25 channels with at a maximum price of @ ₹ 20 per slab.

It is important to note that ₹ 130 per month is upper ceiling. Market dynamics will ensure that they get the services at much lower NCF. Within a few weeks of the implementation, major DTH providers have announced that they will provide 190 to 200 channels within ₹ 130.

4. Whether the monthly charges for the consumers will increase?

- The new framework stipulates that the subscribers have freedom to choose only those TV channels that they want to see and pay accordingly.
- Any consumer that makes a careful choice and restricts her/ his choices to channels that the family actually watches will have to pay less. As per the preliminary data provided by two large service providers, an average consumer is saving around 15 percent under the new framework.
- A list of few possible combinations/ packs for different genre/ regions is made available at www.trai.gov.in. One can see that these packs provide wide variety and yet are available at reasonable monthly charges.

6 CONSUMER GUIDE

- As regards the high channels prices for few popular channels, it is important to note that these are offered prices as decided by the Broadcasters. The Authority expects that soon the competition will come into play. The market forces will enable stabilizing of the prices in next few weeks.

5. I have yet not given my choice to my service provider. Will I face problems now?

To accrue the benefits of new regime, it is essential that a consumer provides her/ his choices. The Authority has, however, provided for:

- Not disconnect TV Channels of any consumer owing to migration. The consumers, who are yet to submit their options, are being shifted to ‘Best Fit Plan’.
- The ‘Best Fit Plan’ means a plan where a consumer gets most of the choices based on regional/ genre based viewing pattern.
- Even after provisioning of the ‘Best Fit Plan’, the consumers have full freedom to exercise their options. If a consumer submits a choice even now, the service provider will implement consumers’ choice within 72 hours.

6. What if the option is not exercised by consumer?

In case option is not exercised by the consumer, he may be put on the ‘Best Fit Plan’ or‘Basic Service Tier’. The Distributors (Multi System Provider/DTH provider) may adopt appropriate methods to seek consumer options. The framework empowers consumers to make/ change their choices anytime. Therefore, even if a consumer has not exercised options earlier, it can be done using the Mobile App or through the website or by making a call to your service provider.

7. I do not wish to go through the rigour of selecting each channel. Can I get choices in selecting group of channels as bouquets?

The Framework provides full flexibility to Broadcasters and the Distributors to prepare bouquets comprising of various channels. Therefore the consumer has full choice to select the channels either on a-la-carte basis or on the basis of bouquets. A subscriber can opt for a combination of select a-la-carte channels and bouquets.

The regulations provide for reasonable conditions for bouquets viz:

- Free to Air Channels and Pay Channels cannot be put together in a bouquet.

8 CONSUMER GUIDE

- No Pay channel with MRP more than Rs. 19 can be included in a bouquet.
- SD and HD version of same channel cannot be put together in a bouquet.

8. Will ‘Free To Air’ (FTA) channels be completely free?

Yes, the channel prices have become transparent in the new framework. FTA channels will now be really free.

9. Does subscriber has flexibility to choose any channel?

Yes, subscriber can choose any channels which are available on the platform of the distributor, either in a-la-carte form or bouquet or combination of both.

10. Is the 100 FTA channels offered as basic service tier pack is mandatory to be subscribed by a subscriber?

or

Is the 100 FTA channels offered to me in basic service tier pack is final?

or

Can I make any change in the basic tier pack of 100 channels offered by distributor?

or

Can I include a pay channel in the basic tier pack of 100 channels @ ₹ 130/- ?

or

Can I change FTA channel in BST with another FTA channels?

- The basic service tier is only one of the options available to the subscribers.
- The subscriber has complete freedom to choose any combination of free to air channel / pay channel on a-la-carte / bouquet of pay channels within the network capacity fee.
- The consumer will have freedom to deselect any channel available in basic service tier and add Free to Air or pay channels of his choice.
- If the consumer chooses a pay channel, the MRP charges will be in addition to network capacity fee.
- The basic service tier of 100 channels @ ₹ 130/- (GST extra) includes only network capacity fee and there are no additional charges for free to air channel included in the pack.
- ₹ 130/- is the maximum limit and the distributor is free to declare anything lower than ₹ 130/- . Already, all major DTH service providers and few MSOs are

offering more number of channels within first tier of ₹ 130/-.

11. How can the Consumer select his desired FTA or Pay channels ?

Option-1: Consumer deselects the FTA channels from basic service tier pack which he does not want to take and can select equivalent number of FTA channels he wish to take. And his monthly charges remain ₹ 130 plus GST.

Option-2: Consumer can choose pay channels in lieu of FTA channels by deselecting the FTA channels from the BST pack and select similar number of pay channels from either from a bouquet or a-la-carte of his choice. The subscription charges per month would be ₹ 130 plus MRP of selected channels plus GST.

Option-3: If consumer does not want to remove FTA channels from basic service tier but want to add additional pay channels, then he will be paying for basic service tier plus MRP of desired pay channels and additional NCF of ₹ 20 plus GST.

Option 4: Consumer can opt for basic service tier plus additional network fee of ₹ 20 plus 25 channel slab on bouquet or a-la-carte basis plus GST

12. What if a Consumer has paid advance charges under annual plan that lasts for few more months?

If a Consumer has availed an annual plan by making advance payment, the distributor shall continue to provide services for such committed period without any increase in price / charges and without altering the other terms of subscription. The distributors cannot make changes without receiving an option from the Consumer.

However, if the Consumer wants to switch over to a new package after 1st February, 2019 then the proportional balance amount of existing package as on the date of switch over may be adjusted for the new package prices.

13. Does ₹ 130 network capacity fee for 100 channels include only FTA channels ?

Network Capacity Fee is prescribed for provisioning of TV service infrastructure. Within the available TV channel capacity the subscriber can opt as per his choice of channels whether they are FTA or Pay. If Pay channels are chosen the Price for such pay channels shall be payable in addition to the Network Capacity Fee. Taking FTA channels is the choice of subscriber but not mandatory except the mandatory channels prescribed by Ministry of Information and Broadcasting (MIB).

14. What will be the Network Capacity Fee (NCF) for additional and subsequent connection in a multiple TV Home?

The Regulation provides a capping of ₹ 130/- as Network Capacity Fee (NCF) for 100 SD channels and maximum of ₹ 20/- for the slab of next 25 SD channels. Regulations do not prohibit offering of discount or lower Network Capacity Fee for second/additional connections. However, such discount shall be uniform in the target market area of respective TV channel distributor and duly declared by the DPO (Distribution Platform Operator) on their website.

15. Will Additional TV connection in a house be costlier?

After Digitization, each TV connection is counted independently. This is similar to a mobile connection wherein each subscriber in a family takes a separate SIM card and each SIM may have different plans and value added services. However, a distributor can offer reduced charges/ discounts for the second or subsequent connection.

16. Is it true that subscribers are to be provided with payment option on Pre-paid basis only?

The regulation provides flexibility to service providers.

The distributors can adopt prepaid or post paid or both as per their business model.

17. Is there any time line for implementation of the New Regulatory Framework?

The New Regulatory Framework was notified on 3rd March 2017 by TRAI, its implementation has been notified on 03.07.2018 with timelines for various activities. All the subscribers have to be migrated under the New Framework with effect from 1st February, 2019.

18. What are the pay channels?

‘Pay channel’ means a channel which is declared as such by the broadcaster and for which a share of maximum retail price is to be paid to the broadcaster by the Distributor for distribution of such channel to subscribers. The list of Pay Channels is available at TRAI web-portal at <https://changetariff.trai.gov.in>.

19. What is MRP of a channel? Is it uniform for all distribution platforms?

‘Maximum retail price’ or ‘MRP’, means the maximum price, excluding taxes, payable by a subscriber for a-la-carte pay channel or bouquet of pay channels, as the case may be.

MRP declared by the broadcasters will be uniform for every distribution platforms.

22. What are Free to Air Channels? Do we have to pay for subscribing only FTA channels?

Free-to-air television channel means a channel which is declared as ‘Free’ by the broadcaster. No charges, except the NCF, are to be paid by subscribers to distributors for FTA channels.

23. Are DPOs to provide additional channels on pro rata basis?

The tariff order provides that the Network Capacity Fee, per month, for a network capacity of initial 100 SD channels shall not exceed ₹ 130/- (excluding taxes). Distributors may charge lower than this amount.

Network Capacity Fee, per month, beyond initial 100 channels shall not exceed ₹ 20/- (excluding taxes) in the slabs of 25 SD channels.

24. Can rates of pay channels vary among cities/towns?

Maximum Retail Price (MRP) of pay channels declared by broadcasters will be uniform across the country and across all the platforms.

26. To whom the MRP regime benefits?

Consumers' empowerment and making the channel choices available is at the focus of the New Regulatory Framework. Consumers get the full opportunity to decide on viewing a channel for a given price.

27. Does the Regulation have provision for schemes for Set Top Box (STB)? Are there clauses specifying the rights of consumers as regards the ownership and repair liability for the STB?

The QOS Regulations, 2017 explicitly provides for clarity over the ownership of STB. The framework mandates that distributors should provide STB through an outright purchase scheme, rental scheme and any combinations thereof. The Distributors of television channels or its linked local cable operators, as the case may be, must specify the retail price of STB along with details on guarantee/warranty period.

The framework stipulates a minimum guarantee/warranty of one year under outright purchase scheme. The ownership of such customer premises equipment shall rest with the subscriber.

Under the rental scheme or bundled scheme distributor or a cable operator is responsible for maintaining the Set Top Box. The MSO/ LCO have to maintain the STB in a good working condition for a minimum period of 3 years.

28. If a consumer wants to subscribe only 10 pay channels. Whether she/he would be required to pay Network Capacity Fee in addition to price of Pay Channels?

Any Consumer has to pay Network Capacity fee for the first tier of 100 channels, even if she/ he subscribes lesser number of channels. In case the choice includes Pay Channels the sum of price of Pay Channels will be in addition to the Network Capacity Fee.

29. Whether the prices shown in the Electronic Programme Guide (EPG) are in Rupees per month?

As per the New Regulatory Tariff Order, the maximum retail price of a channel declared by a Broadcaster of pay channel is in the form of “price per month”. In the Electronic Programme Guide (EPG), the Free to Air Channel (FTA) is shown as “Free”.

30. What are the provisions for obtaining Cable Service /DTH service?

Procedure for new connection is as under:

- (1) Every Distributor of television channels or its linked local cable operator, at the time of providing connection to a consumer, shall inform him about complete details of services, including but not limited to, maximum retail price of Pay Channels per month and Distributor retail price per month of a-la-carte channels or bouquets, network capacity fee per month and the price of customer premises equipment, security deposit, rental amount, guarantee/warranty, maintenance provisions and ownership of customer premises equipment, as may be applicable.
- (2) Every Distributor of television channels or its linked local cable operator, shall provide broadcasting services related to television to the consumer upon obtaining duly filled Consumer Application Form as prescribed in Schedule I of the QoS Regulations, 2017 and provide a copy of the same to the consumer.
- (3) Every Distributor of television channels or its linked local cable operator, shall, by using the subscriber management system, assign a unique identification

number to every subscriber which shall be communicated to the subscriber through Short Message Service (SMS) to the registered mobile number of the subscriber and other means of communication such as email, b-mail, monthly bill or payment receipt as may be deemed appropriate.

No distributor can charge more than ₹ 350/- against the installation fee and more than ₹ 100/- against the activation fee for a new connection.

31. Is there any Consumer application Form prescribed by TRAI?

The service provider devise the application form as per provision of regulations further, the Distributor of television channels or its linked local cable operator, shall activate broadcasting services related to television to the subscriber only after the details of Consumer Application Form of such subscriber have been entered into the subscriber management system subject to payment of charges for broadcasting services related to television shall be payable by the subscriber from the date of activation of such services.

32. Is there any amount to be paid upfront for getting a new connection?

No distributor can charge more than ₹ 350/- against the installation fee and more than ₹ 100/- against the activation fee for a new connection.

Thus for a new connection a maximum of ₹ 450 can be charged against the installation and activation fee. In addition, applicable charges for Set Top Box (STB) may be applicable in case of outright purchase scheme.

33. What amount we have to pay for STB to the DTH Operators/ Cable Operators?

Every Distributor or its linked local cable operator shall provide to every subscriber the STB. It shall be permissible for every subscriber to buy a STB of approved quality from the open market, if available, which is technically compatible with the system of the Distributor of television channels.

The Distributor or its linked local cable operator, as the case may be, shall not compel any subscriber to buy or take on rent the STB from him alone if a compatible STB is available in market.

Every Distributor of television channels or its linked local cable operator shall offer customer premises equipment

to every consumer under the following schemes:

- (i) Outright Purchase Scheme;
- (ii) Rental scheme; and/ or
- (iii) Any combination of above scheme

34. Who owns the STB provided by the distributor?

In case of outright purchase scheme, the consumer owns the STB. The guarantee/warranty period in respect of such STB shall be for at least one year. The ownership of such customer premises equipment shall rest with subscriber.

In case of STB on rental basis the ownership will remain with the distributor.

35. What is the installation charge prescribed under new regulation?

A Distributor of television channels or its linked local cable operator may charge an amount not exceeding Rupees Three Hundred and Fifty (₹ 350/-) as a one-time installation charge for installation of a new connection for providing the broadcasting services related to television.

A Distributor of television channels or its linked local cable operator, as the case may be, may charge an amount not exceeding Rupees one hundred (₹ 100/-) as a one-time activation charge for activating the broadcasting services related to television.

36. What is the procedure for maintenance of STB?

Distributor or a cable operator is responsible for maintaining the Set Top Box if the same is provided under rental scheme or Bundled Scheme of STB in a good working condition to ensure uninterrupted services to a subscriber for a minimum period of 3 years.

Further it shall be permissible to DTH operator to charge an amount not exceeding ₹ 250 as a visiting charge per registered complaint requiring visit of a person to subscriber premises for carrying out repair and maintenance services.

37. What are provisions for change in subscription plans of broadcasting services for TV channels?

Distributor or cable operator shall not change subscription plans of a subscriber unless the subscriber requests for the same.

38. What are the provisions of temporary disconnection?

Subscriber at least 15 days prior to the suspension date should make a request to his Distributor or cable operator for temporary suspension of service. The temporary suspension shall be for a minimum period of 1 month or multiples thereof.

39. Can a DTH operator change the channels or bouquet of channels in a package?

No. Distributor should discontinue any bouquet or channels in a bouquet by a subscriber during locking period or during period for which advance is paid by the subscriber if all the channels forming part of the bouquet is available on its platform.

However if a channel is discontinued from the distribution platform, the subscriber will be provided with appropriate refund for the charges, if any paid in advance.

40. What if my DTH operator discontinues the channels subscribed and paid in advance by me?

In case if the channel is discontinuing, a subscription charges of that bouquet should be reduced by an amount equivalent to discounted Distributor retail price of that channel. The Distributor should not substitute any channel in lieu of discontinued channels on its own.

41. What are the provisions for closure of DTH subscription?

A subscriber can request for disconnection at least 15 days in advance to the DTH operator. The DTH operator shall disconnect the connection and refund the deposit within

7 days subject to fulfilment of terms and conditions of services.

42. Is compliance officer of a broadcaster/distributor also authorized to resolve subscriber's grievances?

No. The compliance officer designated under respective regulations is responsible for only generating awareness for ensuring compliance with the provisions of these regulations. For redressal of complaints of subscribers, every Distributor shall appoint nodal officers for every state.

43. What can we do if my DTH operator does not provide me channels on a-la carte rate and force me to subscribe bouquet?

The interconnection regulations mandate broadcasters to offer a-la-carte rates to all Distributors. Therefore, Distributors are required to provide channels on a-la-carte basis to the subscribers. Any violation of the provisions of regulations will be dealt with as per the provisions of TRAI Act.

44. Has TRAI provided any regulations for complaint redressal under new regulations?

For redressal of complaints, the Distributor shall establish a customer care centre which shall contain toll free

customer care number having sufficient number of lines, interactive voice response system having 3 levels. Further, the details of complaints redressal shall be published on its website and also use different means such as SMS, TV scrolls, printing in bills etc.

45. What are the time limits specified for redressal of complaint raised by consumers?

The time limits specified for redressal of consumer complaints in the QoS Regulation 2017 are summarised below:

Type of Action by distributor	Time limits
Responding to complaint	
i Received during office hrs	Within 8 hrs
ii. Received after office hrs	Next working day
Resolution of ‘no signal’ complaints	Within 24 hrs.
Resolution of Complaints related to billing	Within 7 days
Resolution of complaints (Except billing)	Within 72 hrs.

46. What is the role of the Nodal officer in the redressal of the complaint of the subscriber?

In case a subscriber is not satisfied with the redressal of complaint by the customer care centre, such subscriber may approach the nodal officer of the distributor of television channels for redressal of his complaint.

The Nodal officer designated under respective regulations is responsible for-

- Registering every complaint lodged by the subscriber;
- Issue an acknowledgement to the subscriber within two days from the date of the receipt of the complaint indicating there in the unique complaint number;
- Redress such complaints of subscriber within ten days from the date of the receipt of the complaint and intimate the decision taken there on in respect of such compliant to the subscriber.

47. To what extent my personal information/data shared with distributors/ Local Cable operators are safe?

Every Distributor of television channels or its linked local cable operator, shall ensure privacy and protection of subscribers' personal information and the same shall not be used for any other purpose except in accordance with law.

48. Will there be any discount in a-la-carte?

The Broadcaster is akin to a manufacturer producing a product and Distributor of TV channel is like a retailer who sells a product to the consumers. The price of the product is decided by the manufacturer and the retailer cannot sell the product over the MRP. The broadcasters are, therefore, required to declare the MRP of their channel. The Distributors, however, can sell the channel by declaring DRP below MRP.

49. What amount I have to pay, if I opt for only 2 Pay channels of my choice?

The price of a channel has two components MRP of channel declared by broadcaster and the cost of network for carriage of channel by distributors.

Distributors of television channels can charge a monthly rental amount of maximum ₹ 130/- (excluding taxes) per month from a subscriber for subscribing a network capacity of 100 SD channels. In addition, they may charge price of pay channel, if any subscribed by the consumer.

The Authority has, however, provided freedom to Distributors of television channels to fix the Distributor retail prices of a-la-carte pay channels for their customers by offering discount on the MRP of pay channels declared by

the broadcasters. Distributor may also offer basic services below ₹130/- to its subscribers. Therefore, it would be better for a subscriber to opt for as many channels up that will cover the network capacity fee.

50. Whether the price of bouquet will be made publically available by the Broadcasters/distributors for consumers?

Broadcasters have to declare nature and MRP of their pay channels and the price for bouquets of their pay channels. MRP of a-la-carte channels and bouquet of channels should be uniform for all the distribution platforms. Similarly, Distributors may declare DRP of pay channels and bouquets of pay channels available on their platform. However, such DRP has to be equal to or less than the MRP declared by the Broadcaster.

All the information related to price of the channels will have to be made transparently available on the Website and also on the Electronic Program Guide (EPG) on your TV screens.

CONTENT DISCLAIMER

This handbook has been published for the assistance, education and information of the consumers and information contained therein is general in nature, condensed from the original broadcasting and cable services tariff orders, directions and regulations. Full text of these broadcasting and cable services tariff orders, directions and regulations are available on TRAI's website www.trai.gov.in. The users may refer to the TRAI Act, 1997 (24 of 1997), as amended from time to time and to the text of broadcasting and cable services tariff orders, directions and regulations and their amendments, as published in the Gazette of India/TRAI's website before taking any legal recourse. Under no circumstances shall the Telecom Regulatory Authority of India be liable for any loss, damage, liability or expense incurred or suffered that is claimed to have resulted from the use of material contained in this handbook, including, without limitation, any error or omission, with respect thereto.



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