



Presentation By



Mrs. Roop Sharma
President

Cable Operators Federation of India (COFI)
Not the end but the beginning of Digitisation

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Mobile: 9810069272
roopsharma21@gmail.com

Digitalisation Law introduced for -

1. Transparency
 - a) Revenue to Government.
 - b) Pay Broadcasters to get full revenue.
 - c) Correct TRPs.
2. Consumers to get good quality cable service and choice of channels.
3. A-la-carte choice and lowered billing to consumers.
4. Enable cable TV networks for high speed Broadband at reasonable rates.
5. LCO not to go out of business.
6. Increase in ARPUs through VAS like VoD, Games, e-Services.

Achievement in DAS

DAS Implementation- December 2011 to 31 March 2017

Phase	Areas	No. of TV HH (in mn)	Target 20% for Multi TV (in mn)	HH Digitised (in mn)	% Digitised	Remarks
I	4 Metros – Delhi, Mumbai, Kolkata & Chennai	9.00	10.0	8.5	85%	Chennai not yet completed
II	38 Cities with more than a million population	13.34	18.68	21.5	115%	Coimbtore not completed
III	Rest of Urban areas including municipalities	33.00	40.56	35.5	87.5%	
IV	All rural areas	61.37	73.64	28.9	39%	
Total		116.68	142.79	94.4	66%	

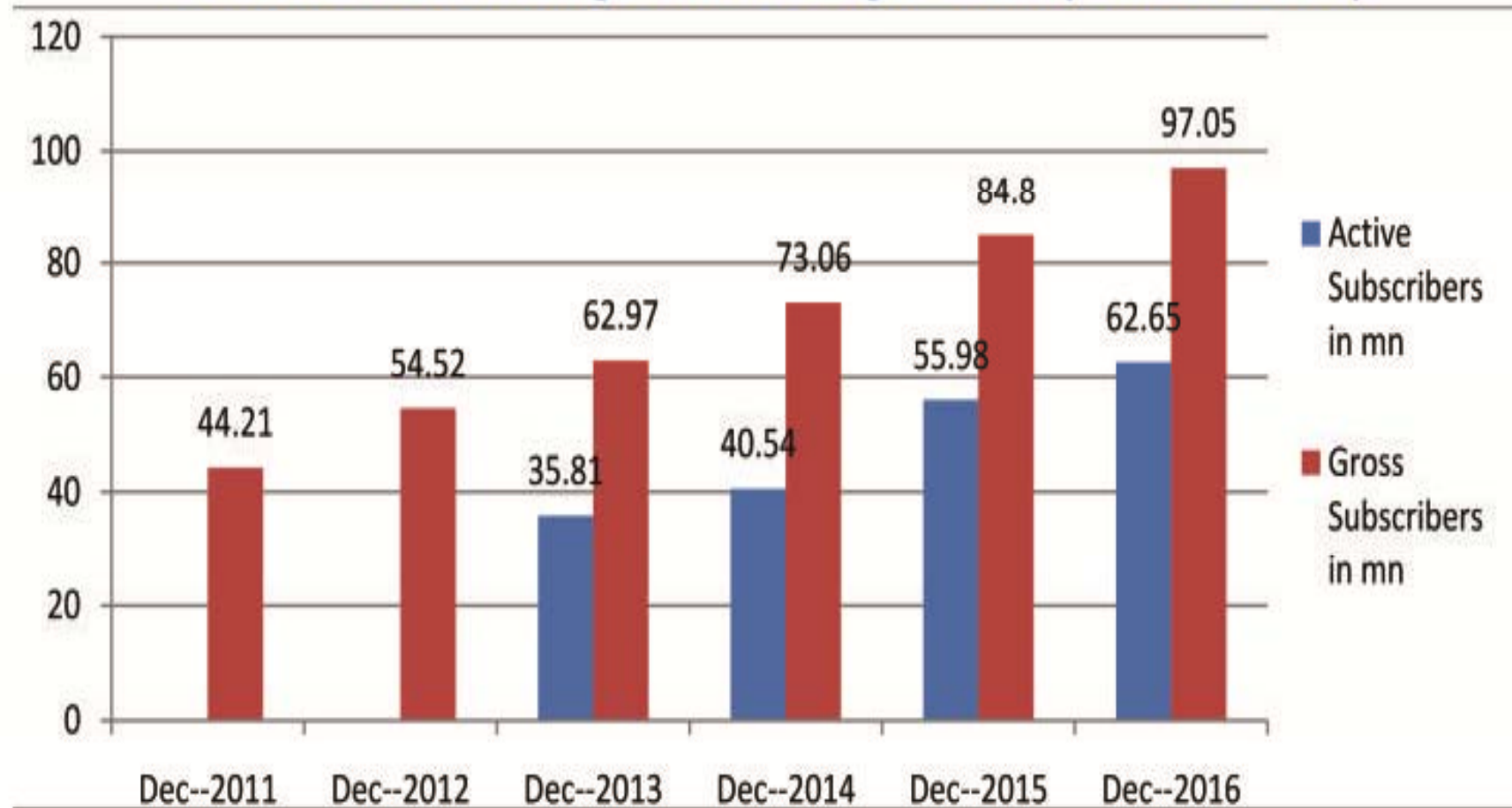
Source: MIB

Actions recommended by TRAI in 2010, but yet to be addressed / completed:

- Accord Industry Status Not yet
- Duty Waiver for STB's and Digital Headend Equipmentpartial
- Tax holiday and Rationalizations of Taxes and Levies.....Not yet
- Clarity of ARPU/ Tariff,.....Challenged in Court
- Revenue share structure –Not yet settled
- Content Must-provide- (MSOs at the mercy of Broadcasters).....NO
- Standard Interconnect agreements.....Challenged in Court
- Training of Manpower.....NO
- No other Agency appointed For Certification & Audit of Cable Networks except BECIL. Monopoly in this exercise is extremely dangerous and exploitative

DTH gained the maximum in Cable TV Digitisation

Growth of DTH during Cable TV Digitisation (Source : TRAI)



DTH gained the Maximum

- The DTH industry, which commenced Digital service in 2003, grew only to the size of 35 million subscribers till 2011.
- A well-planned strategy of forcing Cable TV networks to digitize in unrealistic deadlines through amendments in **Cable TV Act** in 2011 helped the DTH industry double its subscriber base and increase ARPU in the last 5 years.

Small stakeholders not treated at-par

- 1. A deliberate attempt to make things tough for independent small players by unrealistic timeline, threats of revoking licence, not providing content etc.**
- 2. In the name of level Playing Field government and regulator placed a small MSO with less than 50000 connections at par with a national MSO having millions of connections and DTH operators operating pan India (In US, separate Tariff regulations were made for small operators).**
- 3. Ministry encouraged unfair competition from Vertical Monopoly players and DTH Companies, knowing fully well that cable will face teething problems.**

Small stakeholders not treated at-par(Contd)

4. **Cross Media Holdings and market domination- biggest danger to the growth, not addressed.**
5. **Independent operators not given time and troubled both by Ministry and 'Pay Broadcasters', making their consumers suffer.**
6. **Very little participation from the local manufacturers. Heavy dependence on imports that took time for the smaller players to manage.**
7. **Problems of small players projected in Task Force were ignored.**

Small stakeholders not treated at-par

- Somewhere, government's focus in Digitisation has been to help only Pay TV broadcasters in gaining more viewership and Revenue at the cost of small FTA broadcasters, small MSOs and Cable Operators.
- Pay Broadcasters are distributing their **content free of cost on new media platforms like OTT, YouTube** etc. and charging huge amount from the MSOs. This is sheer discrimination. **OTT is not yet regulated.**

How the world did it !

(Some examples)

- **South Africa cabinet** recently decided to provide **FREE Set-Top-Boxes (STBs)** to 5 million TV-owning households in South Africa.
- In the US eligible households could obtain a maximum of two "coupons" (actually payment vouchers) of \$40 each, to be applied towards the purchase of a digital-to-analog converter box.
- In Australia, government assistance included the supply and installation of a high definition set-top box or satellite equipment by a Government-contracted installer and, where necessary, upgrading of antennas and cables.

The Way Forward

Where is the Broadband on Cable?

- There is no focus on spreading broadband through Cable TV infrastructure to create a **Digital India**. Governments keep harping on 'Digital India' and mention **Cable Broadband** in Policies but nothing practical is done to help the industry.

The Way Forward

KEEP NETWORK INFRASTRUCTURE BUSINESS SEPARATE
FROM CONTENT DISTRIBUTION LIKE IN TELECOM

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- 1. Get fast on the business of **broadband** wherever feasible. Assess the extant of fiber laid by the MSOs and Cable Operators and plan its utilisation by sharing at the State/ Centre level.
- 2. MSOs should **Upgrade to IP** and provide OTT services to compete with telco services.
- 3. Cable Operators to aim for a **Universal Licence** as a Virtual Network Operator of converged services.
- 4. Government to declare cable TV networks as a **National Telecom Infrastructure** and integrate **BharatNet** rural broadband infrastructure with cable TV Networks.

Action Required for Digital Success



- 5. State governments to be fully involved in providing necessary **RoW (Right of Way)** and infrastructure to MSOs and cable operators and resolve their financing issues.
- 6. Ministry to start a **Digital Obligation Fund** on the lines of USO Fund to help small MSOs to upgrade to broadband.
- 7. **Broadcasting Bill** pending since 1997 must be cleared earliest to regulate Broadcast Services
- 8. **Manufacturing sector** to be given all necessary help to compete with foreign manufacturers.
- 9. **Training** and Capacity building should be organised.
- 10. **Tariff and interconnection** issues and logistics need to be resolved soon.



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