

Cable TV Networks (Regulation) Act 1995



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Cable TV Act 1995



- For regulation of Cable TV operators and to facilitate upgradation of cable TV network
- Section 3 says Cable operator should register with Authority.
- Section 8 imposes duty to compulsorily transmit the Doordarshan Channels-two national and one regional as per schedule without any deletion and alteration.

Cable TV Act



- Prasar Bharathi is authorised to notify what channels have to be telecast by cable operators
- S 10 casts a duty to ensure that cable network does not interfere with telcom systems
- GoI banned DTH broadcasting services.
- Delhi HC: Ban valid under Telegraph Act

Court's direction on DTH



- Court directed Govt to evolve effective mechanism to regulate DTH services, as total ban would deprive people to benefit from advanced technology and multiple channels around the world
- DTH services opened up in 2001 and state was ready to issue licenses. The ban was intended to stall Rupert Murdoch

Convergence



- As convergence law is emerging the new authority was expected to control the powers of licensing DTH also.
- Till then Govt permitted DTH on license
- Eligibility for license: Indian company, foreign equity not to exceed 49%, FDI 20%, Indian Management control, Broadcasting and Cable co. not to own more than 20% .

Licenses



- No restriction on number of DTH
- Acceptance to terms & subject to security and technical clearances
- Period of license is 10 years from date of issue of wireless operational license
- Can be cancelled, suspended in the interest of Union of India

Requirements



- Nonrefundable deposit of Rs 10 crore to M of I&B
- Wireless Planning and Coordination WPC Authority clearance
- Bank Guarantee for Rs 40 cr
- Annual fee: 10% of gross revenue
- Licence fee+ royalty for spectrum use as fixed by WPC

Codes



- Section 5 imposes obligation to adhere to Advertising code
- Section 6 – Programming Code
- S 7 Maintenance of Register of programmes telecast and repeated
- S 8 Mandatory to telecast 3 DD channels, two national and one regional as prescribed by Prasar Bharathi

No interference with Telcom



- S 10 duty not to interfere with Telcom network systems
- S 11 Authorised officer can seize, and under s 12 can confiscate after giving reasonable opportunity
- S 19 Reasonable Restrictions can be imposed by authority over cable tv operators

Prohibition



- Center can prohibit the transmission of any cable TV under s 20 on the grounds of
 - -Sovereignty and Integrity of India
 - -Security
 - -Friendly Relations with foreign countries
 - -public order
 - -decency and morality

Amendment 2002



- To regulate the operation of cable TV networks in the country to bring uniformity in their operations
- To avoid undesirable programmes from being made available to viewers
- Makes it obligatory for every Cable operator to show any pay channel thru an addressable system CAS

Changes



- Govt gets power to fix the maximum amount of fee for receiving free channels included in the basic tier. (May vary from city to city)
- Govt can fix number of free channels to be aired, which may include berth for DD channels

Power of Government



- Mandatory for cable operators to submit to Govt the information regarding
- the number of total subscribers,
- rates and
- number of subscribers receiving the programmes transmitted in basic tier plus
- pay channels

2002 Amendment



- Provides for Conditional Access System CAS
- Aims at protecting- Consumer' s (viewers) interests, they need to pay for channels of their choice. Govt has power to fix maximum a cable operator can charge for viewing free to air channels, it is called basic tier.

Data collection & Regulation



- More accurate system of data collection, actual viewership and its distribution over the different channels, It will be of immense value to the advertisers and their clients as well as the telecasters.
- Present Regulation is pyramidal structure, the broadcasters like Zee or star on top, below them multiple system providers MSO

Previous Regulation



- At the retail level are the franchises, the neighbourhood cable operators.
- So far subscribers had no choice of selection of channels and Cable operators have no fixed liability to report exact number of subscribers. Under reporting is expected to be just fifth of actual business.
- Rs 5000 cr from 26,000 cable operators is what reported from them.

Technical controls



- Setup box, a decoder basically, with matching equipment at the operator will ensure recording of subscribers' base .
- Free channels will continue, with less regulation
- Subscribers have to pay two types- one for free, and one for pay channels (optional)

Impact



- With new regulation there will be change in
- Viewer ship pattern,
- Quality of pay channel
- Advertisement tariff
- Other existing parameters
- Subscribers get a regulated fee structure
- Set up box may cost from Rs 2500 to 9000

Price Competition



- Subscriber may have to bear the cost of setup box plus fee for pay channel.
- There may be clearer or accurate picture of subscriber's list, which help advertisers to adjust the tariff based on new data
- There will be price competition among TV channels which help subscribers

Amendment 2012



- The Cable Television Networks (Regulation) Amendment Bill 2011 will pave the way not only for mandatory digitisation, but usher in a host of other changes.
- The amendments include systemisation of registration of cable operators, compulsory transmission of certain channels like Doordarshan, inspection of cable network services, use of standard equipment in the cable television network, prescription of interference standards by the Central Government and empowering the TRAI to specify basic service tier and its tariff.

Cable Tv Network registration



- Cable television network will not be operated except after registration and cable operators are required to fulfill certain eligibility criteria as may be prescribed by the Central Government.
- The Bill makes it mandatory to digitalise analogue cable network before the end of 2014 in four phases though.

Digitalization



- The digitisation of cable network will hugely benefit the broadcasting industry and the consumer, as it will ensure more channels and enhanced viewing pleasure. While there are over 600 channels available, cable network can carry only a little over 100 channels. In India, cable network dominates the market with almost 75-80 per cent of the 140 million TV homes. Once digitised, cable network can carry at least 400 channels with ease, say industry sources.

Huge Cost



- Though some multi system operators say digitisation would call for huge investments (approximately Rs 25-30,000 crore) and without any clarity on the Government's stand on FDI in this segment, it will almost be impossible to meet the deadline, local cable operators say, this is a welcome move as the cable industry has been pushing for CAS through out the country for a very long time.