



To,

Advisor,
TRAI (B&CS)
New Delhi

Dated : 7th August, 2015

Dear Sir,

Tariff issues related to Commercial Subscribers

With reference to above consultation paper dated 14th July, 2015, please find our response for your consideration

Best Regards,

Authorised Signatory

For IndusInd Media & Communications Ltd



Issues for Consultation and Responses:

1. Is there a need to define and differentiate between domestic subscribers and commercial subscribers for provision of TV signals?

Response: There is no need/basis wherein we can classify the subscribers as Domestic or commercial. In the cases of so called commercial subscribers, the TV facility is also an amenity/convenience for infotainment of the member/ guest/ inhabitant/ student/ visitor etc. The service consumer, i.e. the viewer, does not have a permanent ownership of the connection and the utilization is temporary. Further, in these situations, there is no specific financial transaction taking place specifically for viewing the TV programs. While it may be true that the establishment itself is carrying out activities of commercial nature, but the issue to be addressed is whether the TV service provided therein can be considered to be commercially exploited when it just is an amenity and not even germane to the basic purpose/ objective/ business of the establishment where it is provided.

2. In case such a classification of TV subscribers is needed, what should be the basis or criterion amongst either from those discussed above or otherwise? Please give detailed justification in support of your comments.

Response: There are certain establishments where commercial activity is carried out, that do exploit TV programs commercially, i.e., they don't provide TV service as an amenity but charge directly or indirectly for watching a TV program at their premises. Examples of such cases

may include, but not limited to the following are:

(a) Cinema halls that organise public viewing of screened TV content which is pay per entry for the viewers.

(b) Pubs, Clubs or bars that organise public viewing of sports/fashion/film events using TV content for the viewers who may be levied with an entry fee. Besides this, there may also be enhanced charges for food/drinks served during such an event.

(c) Pay per entry for live telecast of events of worldwide significance with a mass appeal organised at hotels along with separate arrangements for food/drink etc. where the viewing of the content is the main attraction and bundled charges are paid for by the patrons to attend such screenings.

(d) Special dinners/banquets with viewing of screened TV content which is charged.

In all these cases, the TV program is intended for further commercial exploitation. They certainly and distinctly are a different category from those establishments where although commercial activity is carried out, but the TV services are provided simply as an amenity. It can be argued that if TV services are being consumed as an amenity/ convenience by the client/ guest/ inhabitant/ visitor etc without any separate charge or payment being levied upon him, then such a subscriber, though linked to an establishment where activities of commercial

nature are carried out, is no way different from a domestic/ordinary subscriber. However, where the TV subscription/program is used for commercial benefit of the subscriber, i.e., the TV programs are being exhibited for a price, then such use of the TV services may be deemed to be commercial usage, and such subscribers may be termed as Commercial subscribers. It is pertinent to mention here that such commercial utilisation of TV programs may also require separate permissions and licences to be in compliance with the laws such as those for entertainment.

Not sure of any revenue sharing between the commercial establishment & the DPOs can be worked out for such event specific telecast/usage of Broadcast content?

3. Is there a need to review the existing tariff framework (both at wholesale and retail levels) to cater for commercial subscribers for TV services provided through addressable systems and non-addressable systems?

Response: Not required & not practically possible to determine the benchmark for 'wholesale' or 'retail' numbers.

4. Is there is a need to have a different tariff framework for commercial subscribers (both at wholesale and retail levels)? In case the answer to this question is in the positive, what should be the suggested tariff framework for commercial subscribers (both at wholesale and retail levels)? Please provide the rationale and justification with your reply.

Response: There is no need to have a different tariff framework for commercial subscribers as there need not be any differentiation between a ordinary residential subscriber or a so called 'commercial subscriber' (refer point 1)

5. Is the present framework adequate to ensure transparency and accountability in the value chain to effectively minimise disputes and conflicts among stakeholders?

Response: The present framework is linked to analogue price regime, which needs to be completely relooked

6. In case you perceive the present framework to be inadequate, what should be the practical and implementable mechanism so as to ensure transparency and accountability in the value chain?

Response: There needs to be a digital pricing, based on backward working of the customer ARPU, with growth considerations and estimated base of TV homes

7. Is there a need to enable engagement of broadcasters in the determination of retail tariffs for commercial subscribers on a case-to-case basis?



Response: Yes, in some cases case to case basis is Ok for the Pay broadcaster who is important in that location/region

8. How can it be ensured that TV signal feed is not misused for commercial purposes wherein the signal has been provided for non-commercial purpose?

Response: Broadcasters have enough anti piracy teams, they can always make out. In Digital era, KYC information should be sufficient to keep a track

9. Any other suggestion which you feel is relevant in this matter. Please provide your comments with full justification.

Response: NIL

