

# **Cable Operators Federation of India**

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Ref/COFI/TRAI/10/2014

27 June 2014

The Chairman

Telecom Regulatory Authority of India

New Delhi-110002

**Kind Attention: Sh Wasi Ahmad (Advisor (B&CS))**

**Sub: Comments on TRAI Consultation Paper on Tariff Issues Related to  
Broadcasting and Cable TV Services for  
Commercial Subscribers Issued on 11 June 2014**

Sir,

Ref Consultation Paper No 06/2014 dated 11 June 2014 on issues related to Broadcasting and Cable TV Services for Commercial Subscribers.

We wish to thank TRAI for taking up this issue which is pending since long to be resolved.

Our comments on the issues raised in the Consultation Paper are given in subsequent paras.

**Definition of Commercial Subscribers**

**1. Do you agree with the definitions of „commercial establishment“, „shop“ and „commercial subscriber“, given below?**

**“Commercial Subscriber” means any person, other than a multi system operator or a cable operator, who receives broadcasting service at a place indicated by him to a broadcaster or a cable operator or direct to home operator or multi system operator or head end in the sky operator or a service provider offering Internet Protocol television service , as the case may be, and uses such signals for the benefit of his clients, customers, members or any other class or group of persons having access to its commercial establishment;”**

**“Commercial Establishment” means any premises wherein any trade, business or profession or any work in connection with, or incidental or ancillary thereto is carried on and includes a society registered under the Societies Registration Act, 1860 (21 of 1860), and charitable or other trust, whether registered or not, which carries on any business, trade or profession or work in connection with, or incidental or ancillary thereto, journalistic and printing establishments, educational, healthcare or other institutions run for private gain, theatres, cinemas, restaurants, eating houses, pubs, bars, residential hotels, malls, airport lounges, clubs or other places of public amusements or entertainment but does not include a shop or a factory registered under the Factories Act, 1948 (43 of 1948);”**

**"Shop" means any premises where goods are sold, either by retail or wholesale or where services are rendered to customers, and includes an office, a store room, godown, warehouse or work place, whether in the same premises or otherwise, mainly used in connection with such trade or business but does not include a factory, a commercial establishment, residential hotel, restaurant, eating house, theatre or other place of public amusement or entertainment;”**

### **Comments**

We agree to the above definitions.

**2. If the answer is in the negative, alternate definitions with proper justification may be suggested.**

### **Comments**

NA

### **Categorisation of Commercial Subscribers**

**3. Do you agree that further sub-categorizing the commercial subscribers into similarly placed groups may not be the way to proceed? In case the answer is in the negative, please give details as to how the commercial subscribers can be further sub-categorised into similarly placed groups along with full justifications.**

### **Comments**

We feel there is a need to subcategorise the commercial subscribers in the following way:-

- a) Where a Commercial subscriber gets paid by his clients for the cable TV services.
  - i) Theatres and premises where sports or other programmes may be shown on large screens to paid audience.
  - ii) In large Hotels or hospitals where the clients occupy rooms and opts for paid TV services for a payment other than FTA channels.
- b) Where a television is placed in a commercial establishment but the visitors or the occupants don't pay or don't visit the premises to watch TV specifically.
  - i) Any office of any size.
  - ii) Any commercial establishment like a restaurant, mall, shop etc. where TVs are generally 'ON' all the time.

### **Manner of Offering to the Commercial Subscribers**

**4. Which of the models, discussed in para 1.27, should be prescribed for distribution of TV signals to the commercial subscribers? Please elaborate your response with justifications. Stakeholders may also suggest any other model with justifications.**

### **Comments**

Let the Regulator fix the MRP based on which the broadcasters and DPOs make the RIO.

- a) Model where own headend is installed- Broadcaster can directly negotiate as per the RIO based on MRP fixed by TRAI.
- b) Where services are provided by the DPO: Let Broadcaster negotiate with the DPO in whose area the commercial establishment is situated, as per the RIO. Broadcaster should not identify the DPO for the establishment. Let the commercial subscriber decide which DPO should provide him the services as per mutually agreed terms.

### **Tariff for Commercial Subscribers**

**5. There can be following four alternatives:**

- (i) The tariff for commercial subscribers is same as that for ordinary subscribers.**
- (ii) The tariff for commercial subscribers has a linkage with tariff for ordinary subscribers.**
- (iii) The tariff for commercial subscribers has no linkage with the tariff for ordinary subscribers but there are some protective measures prescribed to protect all the stakeholders.**
- (iv) The tariff for commercial subscribers is kept under total forbearance.**

**In your view which of the 4 alternatives mentioned above, should be followed? Please elaborate your response with justifications.**

**Comments**

Alternative (iii) should be used.

- a) Where occupants/ visitors don't pay and own headend is not installed, DPO should negotiate as per number of television sets installed based on MRP prescribed by TRAI. All FTA channels should be made available.
- b) Where establishments have their own headends, mutual negotiations with broadcasters should prevail based on MRP fixed by TRAI.
- c) In small shops and establishments where upto three TV sets are installed, same rates as for domestic subscribers should be applicable.

**6. In case your answer is "alternative (ii)" mentioned above, please give full details with justifications of as to what should be the tariff ceiling/ dispensation for each category/ group of commercial subscribers.**

**Comments**

NA

**7. If in your view, none of the 4 alternatives mentioned above are to be followed, stakeholders may also suggest any other alternative with justifications.- NA**

Yours Faithfully,  
(Roop Sharma)  
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