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**TELECOM REGULATORY AUTHORITY OF INDIA**

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**TRAI releases recommendation on “Provision of IPTV services”**

New Delhi, 4<sup>th</sup> January, 2008 – Telecom Regulatory Authority of India (TRAI) releases the recommendation on provisioning of IPTV services today. IPTV is a new method of delivering and viewing television programs using an IP network and high speed broadband technology. It is fast becoming a popular value added service in many countries. The fast development in telecom technologies, enormous capabilities of IP platform and increasing digitalization in broadcasting sector is driving services like Internet Protocol TV (IPTV).

The issue of provisioning of IPTV services was discussed in detail in TRAI’s Position paper released on 6<sup>th</sup> September, 2007 and in the subsequent draft recommendation released on 28<sup>th</sup> November, 2007. Comments were invited from stakeholders on these papers issued by TRAI.

Under the existing licensing conditions Unified Access Services license (UASL) and Cellular Mobile Telephony Service (CMTS) License are permitted to provide triple play service and IPTV is permitted under this provision. Recently the government has permitted ISPs having net worth of more than 100 crores to provide IPTV services after obtaining permission from the licensor. The question was being raised time and again in view of the provision of Cable Television Network (Regulation) Act 1995 whether these operators need any other regulatory clearances or registration to provide IPTV to their subscribers. It will be important to mention that Cable Television Network (Regulation) Act 1995 provides that no person shall operate a cable television network unless he is registered as a cable operator under this act.

The Authority has deliberated at length on all the relevant issues regarding provision of IPTV services and brought out the final recommendations. The highlights of the final recommendations are mentioned below:

**Licensing Issues:**

- Telecom service providers (UASL, CMTS) having license to provide triple play services and ISPs with net worth more than Rs. 100 Crores and having permission from the licensor to provide IPTV can provide IPTV service under their licenses without requiring any further registration. DoT can permit any other telecom licensee to provide IPTV services as licensor. Similarly cable TV operators registered under Cable Television Network (Regulation) Act 1995 can provide IPTV services without requiring any further license.
- Telecom service providers providing IPTV service will be subjected to percentage of Adjusted Gross Revenue (AGR) as license fee as applicable from time to time which is presently 6%, 8%, and 10% for access service licensees in category “C”, Category “B” and category “A” circles and 6% for ISPs.
- In case any telecom service provider register itself as cable operator and provides IPTV using its telecom resources, it shall be considered as service under telecom license. Such a service provider shall have to pay the license fee on IPTV revenue also as applicable to its telecom license.
- Any breach of the provisions of Act/ License/ Registration/ Permission by telecom service provider/ cable operator/ Broadcasters shall be dealt with by designated agencies which are responsible for administering such Acts/ License/ Registration/ Permissions.
- BIS may be requested to expedite standardization of IPTV Set Top Box specifications to help cable operators while designing their IPTV networks.
- No change in FDI cap envisaged for provision of IPTV services both by the telecom licensee and Cable TV operators.

## **Content Regulation:**

- Telecom licensees while providing TV channels through IPTV shall transmit only such channels in exactly same form (unaltered) for which broadcasters have received up-linking/down-linking permission from Government of India (Ministry of Information and Broadcasting). In such cases, the responsibility to ensure that content is in accordance with the extant laws, rules, regulations etc shall be that of the broadcaster and telecom licensee will not be held responsible.
- In case of contents other than TV Channels from broadcasters, the telecom licensee shall be responsible for observing program code and advertisement code and such program code and advertisement code shall be the same as provided in Cable Television Network (Regulation) Act 1995 and Rules thereunder. In addition to this, such licensees will also be bound by various Acts, instructions, directions, guidelines issued by the government from time to time including IT Act 2000 to regulate the contents.
- I & B Ministry and IT ministry are acting upon non compliance of contents regulations related to their jurisdiction. It would therefore be appropriate that respective ministries regulate the content used by IPTV service providers. Operational procedures like time limit to keep a copy of the contents shown on IPTV, monitoring requirements etc can be worked out by DOT based on the feedback from respective ministries. Any violation of prevailing Acts/ Rules/ guidelines relating to content by telecom service providers in provisioning of IPTV service shall be reported to DoT by respective ministries. The decision of the respective ministries regarding violation of the law/ direction/ guidelines in respect to content shall be final. DoT may perhaps seek the guidance of the respective ministries to ascertain the penalties for the breach to maintain uniformity and shall initiate suitable action for imposing penalties for violations in time bound manner.
- Telecom service provider providing IPTV will show only those news channels which have been approved by I & B Ministry.
- All telecom licensees/ Cable operators before providing IPTV will give a self certified declaration to I&B ministry, DoT and TRAI giving details such as license/ registration under which IPTV service is proposed, the start date, the area being covered, and details of the network infrastructure etc.

- Suitable modifications may be made in respective licenses of Telecom service providers to incorporate above provisions.

**Down linking Policy:**

- The up linking / down linking guidelines should be amended to enable the broadcasters to provide signals to all distributors of TV channels such as cable operators, multi-system operators, DTH operators, HITS operators, IPTV service providers.

Detailed recommendations are also available on our website:  
[www.trai.gov.in](http://www.trai.gov.in)

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