

RBTV/TRAI/LT/13-14/3208
15th October, 2013

Mr. Wasi Ahmad,
Advisor (B&CS),
Telecom Regulatory Authority of India ("TRAI"),
Mahanagar Doorsanchar Bhawan,
Jawahar Lal Nehru Marg,
New Delhi-110002

Subject: Consultation on Issue/Extension of DTH License

Dear Sir,

1. This has reference to the Consultation paper on Issue/Extension of DTH License, which has been rolled out by TRAI seeking views of the stakeholders.
2. At the outset, we welcome the opportunity to comment on issues concerning extension of DTH. Below are the question wise comments of Reliance BIG TV Limited. We believe that TRAI would consider the same before coming up with a final view.

RCOM Comments on Issues for Consultation

1. Should an entry fee be charged at the time of issue of new licence to the existing DTH licensees?

In case any entry fee is to be charged, what should be the quantum of such entry fee?

We would like to submit that an entry fee to obtain a DTH license must be charged to a new applicant in order to restrict those entities which are not serious to provide DTH services. We further like to submit that an entry fee is a onetime fee and not payable at the time of renewal of the license as rightly stated by the Authority in this consultation paper.

The entry fee paid is non refundable in nature and hence it has to be onetime only and not supposed to be paid again at any point thereafter including at the time of renewal of DTH license.

Thus, we suggest the Authority to not to recommend charging of entry fee every time during the renewal of the DTH license. The principal of levying an entry fee, as stated earlier should be maintained.

We would further like to submit that the fee of ten crores which is being charged at present as an entry fee should be maintained. Though, for renewal of license, there should not be any fee charged from the service provider as this is only the renewal of existing license.

The service provider who already has a license to provide DTH service should not be charged any fee for renewal of the license after expiry of the initial license period. Also the bank guarantee provided at the time of obtaining a license may be kept active during the period of license.

2. What should be the period of the DTH licences to be issued to existing DTH licensees on the expiry of the license period of 10 years?

Since the DTH services are of nature where every service provider has invested heavily, the term of any license needs to be more than 10 years. We would like to mention that period for the Unified licenses have been kept for a period of 20 years. Our view is that, since DTH is a bearer service similar to the service provided under unified licenses, the license period for DTH should be increased from existing 10 years to 20 years. Moreover, Authority on occasions such as prescribing FDI limit for DTH sector; has compared the DTH services with telecom services and kept both at par.

Further, in our view, the period 10 year is very short as it creates a certain amount of uncertainty in the operators' business model. It also makes the operators reluctant towards deployment of new technologies or undertaking long term capacity enhancement. From the consumer point of view, the short duration license period denies the consumers from the benefit of new technologies and innovations.

In view of the above, we would like to submit that the DTH license period shall be increased to 20 years and should follow similar conditions as being prescribed for telecom licenses.

3. What should be the period of extension/renewal of the licences, to be prescribed in the DTH Guidelines, for the extension/ renewal of the new DTH licences on their expiry?

The extension of the licenses should be automatic depending upon any violation of the terms and conditions of the license agreement as entered between the DTH service provider and Ministry of I & B (the licensor). The license should be permanent once the same is issued to a service provider unless the same would be subject to any default in adherence with the license terms.

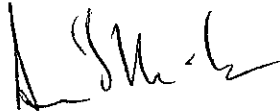
4. What should be the quantum and validity period of the bank guarantee to be furnished by an existing DTH licensee on the issue of new licence?

Presently, the bank guarantee provided by the service provider is alive till the validity period of the license. We would like to submit that the present quantum of bank guarantee should be maintained and the same needs to be restored once the period of license expired.

We further like to submit that for existing license holder, it would be the case of renewal of the license only and not the issuance of fresh license. At the time of renewal, Government may seek fresh bank guarantee or renewal of existing bank guarantee of the one already provided by a DTH service provider.

Thanking you,

Yours Sincerely,
For **Reliance BIG TV Limited**



(Authorised Signatory)

Copy to: Dr. Rahul Khullar, Chairman, TRAI
Sh. R. K. Arnold, Member, TRAI
Smt. Vijayalakshmi K Gupta, Member, TRAI
Sh. Rajeev Agrawal, Secretary, TRAI
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