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TRAI/FY24-25/058

Dated: 22 November 2024

To,

**Shri Deepak Sharma, Advisor (B&CS)**  
**Telecom Regulatory Authority of India,**  
4th, 5th, 6th & 7th Floor, Tower-F,  
World Trade Centre, Nauroji Nagar,  
New Delhi: 110029

**Subject: Response to the Consultation Paper on “Regulatory framework for Ground-based Broadcasters”**

Dear Sir,

This is in reference to TRAI’s Consultation Paper on “Regulatory framework for Ground-based Broadcasters” dated 18 October 2024.

In this regard, please find enclosed our response for your kind consideration.

Thanking You,

Yours’ Sincerely,

**For Bharti Telemedia Limited**

A handwritten signature in blue ink, appearing to read 'Rahul Vatts', written over a blue horizontal line.

**Rahul Vatts**  
Chief Regulatory Officer

Encl: a.a

**Response to TRAI Consultation on  
Regulatory framework for Ground-based Broadcasters**



**Preamble**

1. Airtel would like to begin by thanking the Telecom Regulatory Authority of India (TRAI) for providing it with the opportunity to submit comments on TRAI's Consultation Paper, '**Regulatory framework for Ground-based Broadcasters**,' released on 18 October 2024. It would also like to applaud the Authority for its proactive and forward-thinking approach in identifying and addressing existing regulatory gaps, while continuing to maintain a level playing field amongst service providers offering substitutable services. This initiative demonstrates TRAI's commitment to promoting an environment that encourages innovation and competition within the broadcasting sector.
2. In the past decade, India has seen the rapid evolution and adoption of technologies such as cloud-based platforms which enable broadcasters to store, manage and deliver content seamlessly over the internet. And, with the pivotal role of broadband and fibre optic networks in enabling high speed data transmission continuing to gain importance, India is now entering a new era of broadcasting. These advancements have made it possible for broadcasters to deliver high quality digital feeds through the internet directly to the headend of Distribution Platform Operators (DPOs), thereby unlocking new opportunities for the industry.
3. However, the true potential of these advanced technologies remains untapped in the broadcasting sector largely due to the extant **Guidelines for Uplinking and Downlinking of Satellite Television Channels**, which mandate the use of satellite (uplinking and downlinking of television channels) as the only medium of broadcasting television channels. This regulatory requirement essentially limits the use of terrestrial communication technologies, thereby stifling innovation and preventing broadcasters from exploring less capital-intensive delivery methods.
4. The present consultation paper, therefore, presents an opportunity that will allow broadcasters to use alternative technologies that can potentially offer comparable viewing experiences to those of satellite-broadcast at significantly lower costs.
5. In light of the above, Airtel fully extends its support to TRAI's initiative and efforts to recognise this regulatory gap and proactively work towards removing any barriers that may obstruct the adoption of advanced communication technologies for content delivery to DPOs.
6. **Additionally, as things move forward, it is crucial that the regulatory framework is adapted to take the unique nature of ground-based broadcasting into account. Given that these new**

technologies will inevitably compete with satellite-based broadcasters, it is crucial that the regulator takes decisive action to ensure that a level playing field is maintained and prevent any undue advantage from being afforded to them. Given the lower capital costs associated with ground-based broadcasting, it is essential that the regulatory treatment for them should mirror that of satellite-based broadcasters, excluding only those provisions that are satellite specific.

7. This would mean that all content-related regulation such as the Programme Code and Advertising Code prescribed by the Ministry of Information and Broadcasting as well as TRAI's regulations governing satellite-based broadcasting and distribution including the Tariff Order 2024, the Interconnection Regulations 2024 and the Quality of Service Regulations 2024 – should equally apply to ground-based broadcasters (GBBs). This approach will ensure that all broadcasters, irrespective of the medium used for content delivery, are held to the same standards of content quality.
8. While ground-based broadcasting holds tremendous potential to enhance the delivery of information, education and entertainment to a broader and more locally-oriented audience, it is imperative to create a regulatory framework that ensures that new technologies like ground-based broadcasters do not undermine the interests of existing broadcasters or distort the competitive landscape. Therefore, it is critical to strike a balance between developing a framework that empowers ground-based broadcasters and also safeguards the overall health and growth of the sector holistically.
9. Lastly, this framework should be future proof, in so far as it should be able to address emerging challenges that arise as technology continues to evolve. Doing so will ensure that the broadcasting sector remains resilient, dynamic and sustainable in the face of ongoing technological advancements.
10. Please find Airtel's specific responses to the questions raised in the Consultation Paper in the subsequent section.

**Q1. For the purpose of regulatory framework for ground-based broadcasters, do you agree with the draft definition for broadcaster, programme, Satellite-based broadcasting and Ground-based broadcasting given below? If not, please suggest alternative definitions. Please elaborate your response with full justification.**

***“broadcaster” means a person or a group of persons, or body corporate, or any organization or body who, after having obtained, in its name, authorization from the Central Government for its channels, is providing programming services;”***

***“programme” means any television broadcast and includes-***

***i) exhibition of films, features, dramas, advertisement and serials;***

***ii) News & current affairs, Non-news & current affairs, educational content***

***iii) any audio or visual or audio-visual live performance or presentation,***

***and the expression “programming service” shall be construed accordingly;”***

***“Satellite-based Broadcasting” means providing programming services using satellite-based communication medium for delivering channels to the distributors of television channels.”***

***“Ground-Based Broadcasting” means providing programming services using terrestrial communication medium for delivering channels to the distributors of television channels.”***

#### **Airtel’s Response**

Airtel agrees with the definitions provided for broadcaster, programme, satellite-based broadcasting and ground-based broadcasting.

**Q2 Should there be any distinction between ground-based broadcasters (GBB) and the satellite-based broadcasters (SBBs)? If so, what aspects/criteria should define such distinction? Please provide detailed justification for your response.**

#### **Airtel’s Response**

While satellite-based broadcasters rely on uplinking and downlinking their channels from satellites, ground-based broadcasters transmit their channels terrestrially. This can be done through several mediums such as cloud-based platforms, broadband networks, fibre technologies, etc. Despite this difference in transmission methods, ground-based broadcasters, like their satellite counterparts, carry the same type of content and advertisements.

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This has also been recognised by the TRAI in its Consultation Paper, terming ground-based broadcasters as “*de facto broadcasters.*” The TRAI has further penned that ground-based broadcasters are “*channel operators that produce and own the rights to programming content of ground-based channels and largely follow the same processes to create, assemble and distribute these channels as the traditional satellite-based channels.*”

It is also worth noting that ground-based broadcasters are not restricted to single satellite-based transmission methods, like satellite broadcasters are. They can leverage multiple delivery channels, including fibre, terrestrial wireless technologies as well as cellular mobile technologies like 5G Broadcast, thereby allowing greater flexibility to ground-based broadcasters.

**Given that ground-based broadcasters and satellite-based broadcasters share a common operational model, differing only in the transmission medium, it is reasonable and logical that they should fall under a similar regulatory framework including the requirements under TRAI’s Tariff Order, Interconnection Regulations and Quality of Service Regulations as well as MIB’s Programming Code and Advertisement Code. The only distinction should be the removal of certain satellite specific requirements such as permissions for spectrum use from the Department of Space (DoS) and the Wireless Planning & Coordination (WPC) Wing, which are not applicable to ground-based technologies. This will ensure that GBBs adhere to the same standards of content, service and fairness as their satellite-based counterparts.**

**Q3. Under the scope of GBBs, should all terrestrial transmission medium(s) (excluding satellite communication) such as fibre, broadband, cloud, etc be permitted? If not, please provide detailed justification for your response.**

**Airtel’s Response**

Over the past decade, India has witnessed remarkable advancement in technology. However, the broadcasting sector has not fully reaped the benefits of this progress. This is largely due to the extant Uplinking and Downlinking Guidelines which mandate the use of satellites for transmission of television channels, effectively curtailing the use of alternative transmission mediums like terrestrial communication technologies.

The core objective of MIB’s reference and TRAI’s present consultation is to craft a forward-looking regulation that enables the broadcasting sector to harness the full potential of technological advancements, thereby, encouraging innovation. A regulatory framework that only accommodates certain terrestrial technologies, while overlooking others, would limit the sector’s ability to evolve and innovate.



With technology advancing at an unprecedented pace, the future of broadcasting promises better viewing experiences, improved quality, scalability, reduced costs and increased flexibility. As such, the regulatory framework must not only account for existing terrestrial transmission technologies such as fibre, broadband, cloud, etc. but also be drafted with the foresight to accommodate emerging technologies.

A truly progressive regulation would ensure that the broadcasting sector remains adaptable and dynamic, enabling a landscape where innovation thrives and its players can fully capitalise on the opportunities that future technologies can offer.

**Q4. Whether GBBs should be permitted/authorised to provide services in two separate categories i.e. (i) at State level, and (ii) at National level? If State level category for GBB are considered, then should such State level GBB may be allowed to obtain separate permissions/ authorisations in more than one State or there may be some ceiling on number of State-wise permissions/authorisations beyond which national level permission/authorisation must be obtained?**

**Airtel's Response**

On 19 November 2014, the TRAI published its *Recommendations on Regulatory Framework for Platform Services*. Within this document, TRAI had provided its recommendations on the Regulatory framework for Ground based broadcasters wherein it had observed as under:

*“16. Considering the smaller reach of some of the ground-based broadcasters, the Authority recommends that a State should be taken as a unit and a reach in 15 or more States should be taken as a pan-India presence. The States that are members of the North Eastern Council (NEC) may be considered to be equivalent to one State, for this purpose. At the pan-India level, a ground-based broadcaster shall take on the same obligations as a traditional satellite-based broadcaster.”*

In alignment with the TRAI's recommendations outlined above, Airtel is also of the opinion that ground-based broadcasters should be permitted to provide services in both categories, i.e., at the State Level as well as the National Level. Furthermore, where the coverage/ reach of a ground-based broadcaster extends beyond 15 states, it should be considered a pan-India presence. In such cases, these ground-based broadcasters should be subject to the same regulatory obligations as a traditional satellite-based broadcaster.

**Q6. Provisions for teleport/teleport hub exists in the uplinking/ downlinking Guidelines 2022 for broadcaster using satellite communication. Whether similar provisions are required in relation to any hub/gateway that may be required to be set up for distribution of TV channels by GBBs? If so, what should be the corresponding provisions? Please elaborate with justification.**

**Airtel's Response**

No. Since ground-based broadcasters can use their servers to directly deliver content to DPOs through terrestrial transmission mediums, provisions for any teleport hub or gateway are not required.

**Q7. If a GBB is permitted to operate at State level, then what should the regulatory provisions for a GBB operating at State level which include:**

- a) Processing Fee
- b) Annual Fee
- c) Net worth Requirement
- d) Performance Bank Guarantee (PBG)
- e) Other regulatory provisions

**Airtel's Response**

While setting the financial requirements too low could incentivise broadcasters to migrate from satellite to ground-based mediums, thereby creating a competitive disadvantage for satellite broadcasters, a reasonable fee structure, particularly one that is commensurate to the scale of operation, will still allow ground-based broadcasters to grow without making the costs prohibitively high.

❖ **Processing Fee and Annual Fees**

The processing fee for all applications can be fixed at INR 10,000/- akin to the fees applicable to satellite-based broadcasters.

❖ **Annual Fees**

The annual fees for ground-based broadcasters should be evaluated in the context of the broader industry, providing the Regulator an opportunity to address the financial disparities between broadcasters and DTH operators.

Presently, broadcasters do not pay a license fee; instead they pay a fixed annual fee of INR 7 lakhs per channel for uplinking and downlinking, regardless of their revenue. In contrast, DTH operators pay a license fee based on the revenue they generate, including both the revenue from the course of its ordinary activities as well as any revenue accrued in the nature of pass-through income & revenue arising out of activities unrelated to the license including but not limited to content cost received on behalf of the Broadcaster.

The Regulator is aware that under the New Tariff Order, broadcasters set the maximum retail price (MRP) for their channels or bouquets, and distributors are bound to this MRP without any flexibility to charge higher amounts. Distributors can only retain 20% of the subscriber payments, with an additional 15% contingent on performance-based incentives from the broadcasters. Essentially, the distributor's revenue consists of the network capacity fee, only 20% of the "revenue" (collected subscriber payment) and any incentive-driven bonuses, while the broadcasters retain the rest, which includes the content subscription fees.

It is therefore incorrect to impose a license fee on revenue that is not attributable to the DTH operator. DTH operators merely collect and pass on the broadcaster's revenue and the NTO clearly delineates the revenue streams between DTH operators and broadcasters. **It is reiterated that DTH operators earn revenue from distribution margins and network charges (NCF), while content subscription fees belong entirely to the broadcasters. Thus, in case License Fee is to be levied on Content Revenue, the same should be levied in the hands of Broadcasters directly.**

**To resolve this issue while ensuring the exchequer does not face any losses, it is proposed that all broadcasters, whether satellite based, ground based or otherwise, should be subject to license fee based on their revenue generation on a "pay-as-you-grow" model subject to a minimum License Fee of 10% entry fee. This approach will not only promote fairness and consistency across the industry but also ensure that smaller broadcasters are liable to pay manageable fees while larger operations contribute more proportionally.**

#### ❖ **Minimum Net Worth Requirements**

A similar tiered structure depending on the scale of operations may be adopted for net worth requirements to ensure that broadcasters have sufficient financial sustainability to maintain the quality of their service and content standards as well as to prevent frivolous entrants into the market who may not have the financial strength to support sustainable broadcasting operations.

For instance, for broadcasters operating in fewer than 15 states, a minimum net worth requirement of INR 1 crore for the first channel and INR 50 lakhs for every subsequent channel per entity could be considered reasonable. This would ensure that the operator has sufficient capital to support its operations.



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For broadcasters operating in 15 states or more, i.e., at a National level, the minimum net worth requirement could be set at INR 5 crores for the first channel and INR 2.5 crores for every subsequent channel in line with the net worth requirements of satellite-based broadcasters with PAN India authorisation.

❖ **Performance Bank Guarantee**

Along similar lines, the Performance Bank Guarantee for broadcasters operating in less than 15 states can be fixed at INR 1 crore while for those with reach of 15 or more states can be fixed at INR 2 crores.

The proposed financial requirements aim to balance fairness and competition in the broadcasting landscape. While overly low fees could encourage broadcasters to shift from satellite- to ground-based platforms, creating a non-level playing field, a fee structure based on operational scale allows ground-based broadcasters to grow without facing disproportionate costs. This approach supports both market development and fairness, allowing broadcasters of all types to thrive in the sector.

❖ **Other Regulatory Provisions**

The regulatory framework for ground-based broadcasters should impose a restriction on vertical integration with a DPO, similar to that for satellite-based broadcasters. Specifically, vertically placed companies should be limited to holding no more than 20% of the shares in each other.

**Q8. Whether the extant Tariff Order, Interconnection Regulation and Quality of Service Regulation may be applied mutatis mutandis to GBB? Please explicitly indicate, if any modifications are required in the said Tariff Order, Interconnection Regulation or Quality of service Regulation for GBBs.**

**Q9. (a) The extant interconnection regulation provides for “Must Carry” and “Must Provide” regime. In case of GBB, whether the same regime should be made applicable?**

**(b) Normally, the cost of bandwidth / any other additional cost involved should be borne by both the parties based on a mutual agreement. However, in case the broadcaster and DPO fail to reach an agreement on costs involved, then in such a situation, since the ‘Must carry’ provision is exercised by the broadcaster, therefore they should bear the cost of bandwidth between broadcasters and DPOs/ any additional cost and similarly, since the ‘Must provide’ provision is exercised by DPO, therefore DPO should bear bandwidth cost/ any additional cost involved. Do you agree with the above approach? If not, who should bear the cost in both the cases? Please provide detailed justification for your response.**

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**Airtel's Response**

Yes. Given that GBBs and SBBs should be treated at par with each other, the Tariff Order, Interconnection Regulation and Quality of Service regulations, as laid down by TRAI should apply uniformly to both.

This established framework includes principles such as "Must Carry" and "Must Provide". The "Must Carry" provision requires DPOs to include specific channels on their platforms on fair terms, while the "Must Provide" provision mandates that broadcasters make their channels available to DPOs under equitable terms. These provisions are designed to foster a fair, competitive broadcasting landscape and ensure broad consumer access to diverse content.

Since the "Must Carry" and "Must Provide" obligations are integral to TRAI's regulatory framework and apply to all broadcasters, it is essential that the same principles be extended to ground-based broadcasters.

Any additional costs incurred to comply with these provisions should be shared by the parties involved, based on mutual agreement. However, if a consensus on cost allocation cannot be reached, the following should apply for "Must Carry" provisions, broadcasters should cover the cost of bandwidth or any other additional costs required, while for "Must Provide," DPOs should bear the associated costs.

In both cases, it is vital that the Tariff Order, Quality of Service Regulations and Interconnection Regulations are enforced for ground-based broadcasters in the same manner as for satellite-based broadcasters, ensuring a level playing field and promoting fair competition within the sector.

**Q10. In case a SBB wishes to switch to terrestrial-based communication medium to deliver its channels to DPOs, what should be the regulatory framework, in such a scenario?**

**Q11. In case a GBB wishes to switch to satellite-based communication medium to deliver its channels to DPOs, what should be the regulatory framework, in such a scenario?**

**Q12. In case a broadcaster (SBB/GBB) wishes to use both satellite and terrestrial transmission technology to provide their channels to the DPOs, what should be the regulatory provisions for such broadcaster(s)? Should they require separate permissions and pay additional annual permission fees, processing fees, etc. for the above scenarios? Please provide detailed justification for your response.**

### Airtel's Response

#### ❖ Migration from satellite-based operations to ground-based operations

If an existing satellite-based broadcaster that has obtained permission under the *Guidelines for Uplinking and Downlinking of Satellite Television Channels in India, 2022* wishes to switch to using terrestrial communication to distribute one or more channels to DPOs, no additional obligations or fees should be imposed, as the satellite-based broadcaster is already authorised to operate nationwide. The satellite-based broadcaster must notify the MIB and the TRAI at least 15 days in advance before using any terrestrial transmission medium to provide programming services.

#### ❖ Migration from ground-based operations to satellite-based operations

If a ground-based broadcaster wishes to switch to satellite-based broadcasting, it will be necessary for the ground-based broadcaster to obtain the required clearances and permissions applicable to satellite-based broadcasters.

#### ❖ Simultaneous ground-based and satellite-based operations

If a broadcaster (whether ground- or satellite-based) wishes to use both satellite and terrestrial transmission methods to distribute channels to DPOs, they may be permitted to operate under both categories simultaneously. **However, the broadcaster must obtain the necessary authorisations for both satellite-based and ground-based broadcasting and must fulfill all regulatory obligations and conditions for each transmission method separately.**

This will ensure regulatory fairness across the broadcasting sector, regardless of technology or medium.

**Q13. What should be the Regulatory Framework/Guidelines for Ground based broadcasters vis-à-vis 'Guidelines for Uplinking and Downlinking of Satellite Television Channels in India, 2022'? Please provide detailed justification for your response.**

**Q14. Whether the existing provisions contained in the uplinking/downlinking guidelines 2022, excluding the provisions related to satellite communications, be made applicable to ground-based broadcaster or do they need any modifications? In case you are of the opinion that modifications are required in existing uplinking/downlinking guidelines 2022, then please provide your comments with reasons thereof on amendments [including any additional restriction(s)/condition(s)] required for Ground based broadcasters.**

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TRAI, in its *Recommendations on Regulatory Framework for Platform Services* dated 19 November 2014, while discussing the appropriate regulatory framework for ground-based broadcasters, opined as under:

*“The MIB may establish a regulatory framework for ground-based broadcasters. The framework shall be the same as the framework contained in the Uplinking/ Downlinking Guidelines of MIB for traditional satellite-based broadcasters, to the extent applicable to the ground-based broadcast model. Thus, clearances/ permissions for spectrum usage from the DoS and WPC shall not apply.”*

Airtel agrees with the TRAI’s recommendation in this regard, particularly considering the fact that these recent technologies will inevitably compete with satellite-based broadcasters. Therefore, the regulator must ensure that a level playing field is maintained. Given the lower capital costs associated with ground-based broadcasting, it is essential that the regulatory treatment for them should mirror that of satellite-based broadcasters, excluding only those provisions that are satellite specific so that satellite-based broadcasters are not unduly disadvantaged.

It is further submitted that in light of the above, any modifications made to the existing Uplinking and Downlinking Guidelines, 2022 to align it with the operational model of ground-based broadcasting, should first be subject to a public consultation before being notified.