

March 22, 2010

Dr. J.S. Sharma
Chairman
Telecom Regulatory Authority of India (TRAI)
Mahanagar Doorsanchar Bhawan
Jawahar Lal Nehru Marg (Old Minto) Road
New Delhi-110 002

Dear Sir,

Thank you for providing an opportunity for stakeholders to give their feedback on the issues raised in the Consultation Paper of TRAI regarding a cap of television channels and on changes in the eligibility criteria for allotment and renewal of licences.

On behalf of MM TV Ltd. following are the responses to the issues listed in Chapter Four of the Consultation Paper.

4.1 In the present scenario how to determine the maximum number of satellite TV Channels possible? Please elaborate with appropriate reasoning.

A: It is not possible to quantify the maximum number of channels permissible due to the following reasons.

1. As noted in the TRAI paper, the technology itself is changing. Newer technologies for compression of frequencies are being tried out, which would further minimise the Frequency range required. As TRAI has pointed out conversion from MPEG2 to MPEG4 itself, provides space for more channels.
2. There is no data available on the number of satellites and transponders which will be available in the next decade. Apart from ISRO, several foreign entities are planning satellites having footprint on South Asia.

4.2. Is it justifiable to cap the number of channels? Please justify your response with detailed rationale.

A: It is not justifiable to put a cap on the number of channels. As there is no firm data available on the frequency available, putting a cap is not justified. If at all there is full capacity and no transponder space available, then approved licencees can be put on a waiting list. They can operationalise the channels as and when frequency becomes available.

4.3 If it is desirable to cap the number, what according to you should be the number in each category?

A: A cap is not justifiable.

4.4 Whether there is a case for putting a cap on the number of teleports/DSNG and uplinking facility in other satellite based distribution networks such as DTH and HITS. If yes, please specify the number alongwith justification.

A: There is no need for a cap on number of teleports/DSNG and other uplinking facilities.

4.5 Should it be mandated for the broadcasters to switch from MPEG-2 to MPEG4 encoding w.e.f a particular date? If so then what should be that date, and if, not then why?

A: It is desirable for broadcasters to switch from MPEG-2 to MPEG-4. But the modalities should be worked out in consultation with all broadcasters using MPEG-2 and also with industry bodies like IBF and NBA.

4.6 Should networth requirement of Applicant Company for permission of TV channels under uplinking and downlinking guidelines be enhanced? If yes, how much it should be? Please elaborate with appropriate reasoning.

A: The present requirement is adequate.

4.7 Should experience of the applicant company be introduced in eligibility criteria? If yes, what do you suggest?

A: Experience criteria will create a closed shop, and will deny opportunity for entrepreneurs with ideas to come into broadcasting field. The existing conditions listed in the Guidelines for Uplinking TV channels are adequate.

4.8 Should experience and expertise of the promoters of Applicant Company be introduced in eligibility criteria? If yes, what do you suggest?

A: Expertise is a subjective criteria, liable to be misapplied. The present conditions in the Guidelines for Uplinking TV Channels is adequate, as the Editor/Channel Head would be responsible for the content, and the Board of Directors are responsible for adhering to the conditions of Licence.

4.9: Should the permission fee be enhanced to ensure participation of serious players?

A: The present fee is adequate as the Channel has to make regular payments to ISRO, DOT and other service providers. The present permission fee is more than the expenses involved in processing and issuance of licences. A separate processing fee is also charged.

4.10 Should one time permission fee be converted into annual permission fee? If yes, what should be the quantum?

A: The permission fee should be charged at the time of granting the licence only.

4.11 Should a commitment from the applicant company to stay in business for certain period be prescribed?

A: Since there is no financial aid from the government to help the applicant company to run its business, such a condition will not be appropriate. As the applicant company would depend on its content and output, it would be subject to market forces. Hence no commitment need be sought from a company that it would stay in business for a certain period.

4.12 If yes, what should be that period? Please elaborate with appropriate reasoning.

A: There is no need for seeking a commitment from the applicant company.

4.13 Whether permission of a channel should be revoked in case the channel is closed down for certain fixed period? If so, what should be the period? Should this period be same or different if the non operation is continuous or intermittent?

A: The permission of a channel should be revoked only if the licensee gives in writing that it is unable to broadcast the channel for the remainder of the licence period and surrenders the licence.

4.14 What should be the policy for renewal of permission of channels under uplinking/downlinking guidelines? Please elaborate with appropriate reasoning.

A: There should be automatic renewal of permission for channels which have operationalised their channels. This automatic renewal ensures continuity of the channel's broadcast.

4.15 Whether transfer of permission to a TV channel under uplinking/downlinking guidelines should be permitted. If so, under what terms and conditions.

A: Transfer of a channel can be permitted if the licensee company has either been acquired by another company or has merged with another company, as per the Companies Act. Trading of licenses by licensee company to another company should be prohibited.

4.16 Whether India should be developed as a Teleport/hub centre for channels uplinking, which are not meant for viewing in India. In such case, should the channels be covered under uplinking and downlinking guidelines?

A: It is desirable for India to be developed as a Teleport for uplinking of channels for non Indian viewerships. But this should be done by augmenting satellite/transponder capacities, and this should not be at the expense of channels which are uplinked from India, and downlinked for Indian viewership. As these channels are not to be downlinked for viewing in India, necessary modifications to govern uplinking of channels for non Indian viewership may be made in the guidelines.

4.17 If India is to be developed as a Teleport/hub centre for channels uplinking, then what facilities should be provided to the companies to make India a Teleport/hub centre for uplinking of channels? Whether this will in any way adversely affect the transponder availability for uplinking of TV channels to be viewed in India?

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A: As replied in 4.16, there will be need to augment satellite/transponder capacities to develop India as a teleport/hub centre for channels. The companies which set up teleports should have captive satellite capacity. They can be permitted to launch or own satellites. They should function on the model of Special Economy Zones, and should not draw on capacity meant for channels which are downlinked for Indian viewership.

Regards,

Yours sincerely,
for MM TV Limited

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