

**Counter Comments
on
Consultation Paper on
Policy Issues relating to Up-linking/Down-linking
Television Channels in India**

1. As has been brought out in the Consultation Paper (CP), Television broadcasting is one of the most popular means for mass communication. Over a period of time, there has been tremendous growth in terms of reach and introduction of new technologies in this segment. Out of 120 million TV homes in the country, however, about 87 million are being served by analogue cable TV Network when the state-of-the-art technologies are available and there is a tremendous potential to convert these TV homes from analogue to digital TV homes. **The policy framework, therefore, needs to encourage digitalization of TV channel distribution.**

2. In spite of large number channels, which have been approved by the Government under up-linking/down-linking guidelines, at present, broadcasting sector is dominated by a few players thereby restricting the competition. In the last couple of years, with the entry of certain new players, at national as well as regional level, such dominant players have started feeling the heat of competition. **The policy frame work, therefore, needs to encourage competition in television broadcasting sector.**

3. From the information provided by TRAI in the CP, it is noted that Doordarshan and other Government agencies are the major user of satellite transponder capacity in C-band and Ku-band. The majority of existing broadcasters/teleport operators have been using MPEG-2 compression techniques, which are less efficient and therefore resulting in wastage of available resources. **The policy framework, therefore, needs to encourage optimal use of available resources.**

4. As has been reported in the CP, there are a number of foreign satellites available over India for providing satellite TV broadcasting. Some of these satellites, which have been coordinated, have free C-Band transponder capacity, could be used for television broadcasting. It is understood that there are about 25 C-band transponders available for

the broadcasting needs and with MPEG-4 compression, about 625 additional channels could be up-linked.

5. Distribution of TV signals could be carried through alternate available technologies such as **optical fiber cable**. The present policy framework talks about up-linking/down-linking through satellite only. Technically it is possible to downlink foreign channels through international optical fiber links and redistribute the same to cable operators/MSOs, DTH Operator, HITS, IPTV operators through domestic optical fiber links. Using alternate technologies will help in saving satellite bandwidth. **The policy framework, therefore, needs to be technology neutral.**
6. At present, there are cross media holding restrictions. However, it is seen that there are operators who have their presence in all the sub segment of television broadcasting i.e. content provider as well as distributor of TV signals, and therefore, defying the basic objectives of the Government of restricting vertical control in the TV broadcasting. Here could be a logic in restricting cross media holding between content provider and distributor of TV signals. However, there is no logic in restricting cross media holding within various modes of distribution of TV signals i.e. cable, MSO, DTH and HITS.

The distributor of TV signals are essentially the infrastructure provider and they do not control the content. HITS operations have been allowed in C-Band and Ku-Band. Further, HITS operator can also function as LCO and therefore, distribute the TV signals to the consumers directly akin to DTH operators. Such operators are exempted from payment of annual License fee of 10% of the gross revenue. This has created an anomaly in the policy framework, tilted more towards HITS operators.

There are six private DTH operators occupying 44 Ku Band transponders. In addition to these, Doordarshan is having six transponders for its DD Direct DTH service. Such resources could be easily utilized by allowing DTH operators to provide signals directly to MSOs/Cable operators. This will enable the country to digitalize distribution of TV signals without consuming more satellite bandwidth for HITS operations. **The policy framework, therefore, needs to rationalize licensing policy for distribution of TV signals by removing cross media holding restrictions and free use of technology for serving the consumer through various modes viz. cable, MSO, DTH and HITS**

or a unified license for distribution of TV signals. In order to optimize available transponder capacity, DTH operators should be allow to carry certain channels for viewing outside India and such Operators should have deemed permission for carrying such channels.

7. Any restriction on no. of channels at this stage, when there is a huge hidden demand for the content in regional languages and specific needs of various geographical areas, will only monopolies and give windfall gain to non serious license holders. Most of the countries do not have any restriction on no. of licenses/operators for the TV channels. In USA, there are more than 550 TV channels. The requirement of channels in India could be assessed keeping in view 15 official languages in the country. **The policy framework, therefore, should not put any artificial barrier in restricting no. of channels.**
8. The government policy should encourage merger and acquisition and also transfer of permission to a TV channel. Transfer of permission should be with prior approval of the Government and such transfers should be considered expeditiously, provided transferee of permission also fulfill the eligibility condition and cleared from the security angel. The Government may charge some token amount or Rupees Ten Thousand as processing fee as applicable to the new applicant.