

January 31st, 2018

To,

The Telecom Regulatory Authority of India
Mahanagar Doorsanchar Bhawan
Jawahar Lal Nehru Marg
New Delhi – 110 002

Kind Attention: Shri SK Singhal, Advisor (B&CS)

Reference: Consultation Paper on Issues Relating to Uplinking and Downlinking of
Television Channels in India (the “**Consultation Paper**”)

Dear Sir,

This is in reference to the Consultation Paper issued by TRAI on Issues Relating to uplinking and Downlinking of television channels in India dated December 19, 2017. We welcome TRAI’s initiative on seeking comments from all stakeholders on issues relating to uplinking and downlinking of television channels in India.

We have set forth our responses on behalf of TV18 Broadcast Limited (“**TV18**”) and its affiliates against each of the questions raised by the TRAI in the Consultation Paper and would request the TRAI to take on record our responses enclosed hereunder.

Our responses hereunder are without prejudice to any rights available to us under law or equity.

Truly yours,
For **TV18 Broadcast Limited**

Authorised Signatory

Encl: As stated above



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INITIAL RESPONSES TO CONSULTATION PAPER - UPLINK & DOWNLINK OF TV CHANNEL

Definition of 'News and Current Affairs channels' and Non-'News and Current Affairs Channels:

1. Is there any need to redefine “News and Current Affairs TV channels”, and Non-News and Current Affairs TV channels” more specifically? If yes, kindly suggest suitable definitions of “News and Current Affairs TV channels” and Non-News and Current Affairs TV channels” with justification.

Response: We are of the view that the present definitions assigned to both “News and Current Affairs” and “Non-News and Current Affairs” should continue as is as they are wide enough to include any new sub-genres that may evolve to cater to the dynamic nature of demand for content. For example, reality television has come about in recent years and was not prevalent earlier. .

As pointed out by TRAI itself in clause 2.14 mentioned on page 10 of the consultation paper:

“In this regard, no specific issue has come to the notice of the Authority. Any specific definition for each category of channel, beyond what is already mentioned in the policy guidelines, may also have the risk of leaving vacant space in between these two definitions.”

If a narrower definition is prescribed, certain programming may not fit into any category and given that TRAI has not come across any specific issue with respect to the programming mix in respect of New and Current Affairs channels, we are of the view that the current definitions should not be amended.

Net-worth of eligible companies:

2. Should net-worth requirement of the applicant company for granting uplinking permission, and/ or downlinking permission be increased? If yes, how much should it be? Please elaborate with appropriate justification.

Response: We are of the view that the current net-worth requirements are adequate and do not warrant any changes. Any further increase in these amounts would act as a barrier to entry for new players and be against the spirit of ‘Ease of Doing Business’ initiative specially since it would be difficult for new entrants to continue to maintain the net worth while investing in the content for newly launched channel (which are typically heavy capital investments).

In fact any increase to the existing net worth would impede, be against the spirit of encouraging, competition.

As noted and acknowledged by the TRAI in clause no. 2.19, 2.20 and 2.21 of consultation paper:

“Television broadcasting services is a capital intensive business. The investment is required in production of programs, uplinking/downlinking of TV channels, transponder charges, spectrum usage charges, network establishment, marketing and distribution cost, and other establishment charges. Further the cost structure of news, and non-news channels vary significantly. It also requires continuous technology up-gradation, and capability to face competition from within and outside India

However, other view could be that very high net-worth requirement would deter first generation/new entrepreneurs from entering into this sector. Moreover, the high net-worth criteria could also discourage the growth of local and regional channels, thereby affecting overall program diversity. Reduced competition due to very high entry barriers may also affect prices of the channels for end consumer. Increase in entry barriers may also create incentives for trading or sub-leasing of existing licenses. Therefore, to stop such practices, the entry should be easy for new licensees. There should be enough checks in the license conditions to stop such practices of sub-leasing or trading of licenses.

Someone can also argue that increase in entry barriers for uplinking of TV channel from India, may encourage diversion of such business opportunities to outside India. Any shift in processing and editing of content outside India would not only affect the growth of the TV broadcasting sector, but also it may affect the direct and indirect employment opportunities created by this sector”

Any increase in the net worth criteria, would only add to the burden of television broadcasters and make the cost of content more expensive. Therefore, any move to increase the net worth criteria would be counterproductive.

3. Should there be different net-worth requirements for uplinking of News and non-News channels? Give your suggestions with justification?

Response: As set forth above, we are of the view that the current net-worth requirements are adequate and do not warrant any change.

Processing fee for application:

4. Is there any need to increase the amount of non-refundable processing fee to be deposited by the applicant company along with each application for seeking permission under uplinking guidelines, and downlinking guidelines?, What should be the amount of non-refundable processing fee? Please elaborate with justification.

Response: We are of the view that there is no requirement for any increase in the non-refundable processing fee. In fact, as pointed out by the TRAI costs of processing typically reduced due to use of technology.

Grant of license/ permission for Satellite TV Channels:

5. Whether auction of satellite TV channels as a complete package similar to FM Radio channels is feasible? If yes, then kindly suggest the approach.

Response: We are of the view that auctioning of television channels would be counterproductive for the below reasons:

A. The comparison of Satellite TV with FM Radio lacks technology rationale. FM Radio uses free RF spectrum and hence the allocation is to be controlled through regulated structured process. Satellite TV uses transponder space of a particular geostationary satellite and the bandwidth associated is owned by the satellite provider. FM Radio is similar to Terrestrial TV broadcasting wherein Audio-Video content is beamed directly to TV receiver using free spectrum of that particular area having line of sight transmission from Transmitting antenna on a tower to TV set antenna. However, in India only Prasar Bharti Doordarshan is permissible to operate terrestrial transmission of TV services. Thus auctioning of spectrum proposal for satellite TV is not with poise and hence must not be pursued.

B. Further there are a several international satellites, which are not owned by the government and therefore the same cannot be auctioned.

As acknowledged by TRAI, the resources used i.e. uplinking and downlinking spectrum, and satellite transponder are not fully in the control of the Central Government. The Central Government can auction only those resources of which it is fully in control.

C. Auctioning will unduly increase the cost of grant of permissions and the cost of permits which costs would have to be passed on to end subscribers/viewers and make content expensive all across the distribution chain. The end burden will eventually be shouldered by the end subscribers/viewers.

D. It is our humble submission that the Government focus on increasing the number of satellites, which will increase competition and not create entry barriers, which will impede competition. Given that the cost of uplinking channels is high enough already, any further increase in costs on account of auctioning of channels will make the television broadcasting business unviable.

E. It is important that an adequate number of satellites are available to broadcasters so that India can reach its target of having over 1500 television channels, which will increase diversity of content and uphold the principles of freedom of speech and expression, enshrined in the Constitution of India.

We are of the view that auctions of satellite TV licenses is not feasible in India as consumers prefer to watch free content on television, while subscriptions have not taken off as originally anticipated as complete digitization of cable networks is behind schedule. The Indian Telecom Services Performance Indicators for the period July - September, 2017, and published by TRAI, there are 877 satellite TV Channels permitted in India, while only 300 of them are pay TV channels. Moreover, of the 185 million cable and satellite TV households, about 149 million are pay TV users.

Governments and regulators across the world have tried to auction satellite TV licenses but the outcome has been negative. Some of the recent examples are illustrated below:

Greece: In 2016, Greece auctioned four TV licenses, in a market of eight stations, forcing the remainder four to go off-air. The move that was later struck down by a high court saying the decision to auction was flawed and unconstitutional, while media outlets had raised an outcry on the model to control media in a democratic country. The country's National Council of Radio & Television has suggested auctions for seven permits, after the government decided to re-run the auctions.

Thailand: In 2013, Thailand's National Broadcast & Telecommunications Commission, conducted an open auction for Digital Terrestrial Television Licenses. Of the 17 bidders allowed to run 24 television channels, ended up in huge debt due to intense competition during the auctions. As of January 2018, these networks owed the government THB50.86 billion but had paid only THB34 billion, or 64% of the total amount. The government has since formed a Media Reforms Committee to recast their debt and a debt moratorium plan has been approved by the regulator to help overcome the crisis facing the industry.

Broadly, auctions of other natural resources in India has also resulted in negative outcomes for the stakeholders. For instance, telecommunications companies are consolidating in India after debts piled up to the tune of Rs4 lakh crore, and more than 3 lakh people have lost jobs, since the first auctions for 3G were held in 2010. Some



telecommunications assets also resulted as NPA, forcing companies to either scale down or shut operations. Companies who bid for coal assets are also facing similar problems of piling debt and NPAs.

As per the Reserve Bank of India, five sectors - infrastructure, steel, textiles, power and telecom - contributed 61% of the total Rs.9.5 trillion debt outstanding of Indian banks. Of the five sectors, four of them except textiles, have debts due to auctions in their respective sectors, and are facing difficulties in running operations.

6. Is it technically feasible to auction individual legs of satellite TV broadcasting i.e. uplinking space spectrum, satellite transponder capacity, and downlinking space spectrum? Kindly explain in detail.

Response: Kindly refer to our responses at paragraph 5, above.

7. Is it feasible to auction satellite TV channels without restricting the use of foreign satellites, and uplinking of signals of TV channels from foreign soil? Kindly suggest detailed methodology.

Response: Please refer to our response at paragraph 5, above.

Further, it is vital to note that there are only a limited number of Indian satellites available vis-à-vis availability of foreign satellites. Any restriction on use of foreign satellites would adversely affect the growth of the broadcasting sector in India and different international satellites suit different channel's distribution needs (wider territorial footprints). Further, certain broadcasters also rely on foreign satellites as a part of their disaster recovery plan to be used if and when the uplinking or downlinking on the main satellite fails. Hence, restricting foreign satellites would tantamount to restricting the growth of the broadcasting sector of India.

Further, as stated above, the Government should focus on increasing the number of satellites.

8. Is it advisable to restrict use of foreign satellites for satellite TV broadcasting or uplinking of satellite TV channels, to be downlinked in India, from foreign soil?

Response: Please refer to our response at paragraphs 5 and 7, above.

9. Can there be better way to grant license for TV satellite channel then what is presently followed? Give your comments with justification?

Response: Yes, there are better ways by which the process of grant of a satellite television channel license can be simplified. In the current scenario, once an application

is filed with the Ministry of Information and Broadcasting (“MIB”), for uplinking and/or downlinking of a television channel, the application is then sent to the Ministry of Home Affairs (“MHA”), an empanelled chartered accountant, Ministry of Corporate Affairs (“MCA”) and Department of Revenue (“DOR”) (In case of downlinking) for several clearances/approvals. As is evident from the foregoing, the entire process is cumbersome. Our suggestion to simplify the entire process is as follows:

A. Security clearances

I. Security Clearance of Companies:

Set out below are three scenarios and our views on the requirement for security clearance in each of those scenarios.

a. Scenario 1: An existing security cleared permission holder company holding a valid uplinking/downlinking permission issued by the MIB (hereinafter referred to as the “Permission Holder”) proposing to launch new channels;

b. Scenario 2: A new company which does not hold any valid uplinking / downlinking permission issued by the MIB but in which the shares are held by (i) the Permission Holder; or (ii) the shareholders of the Permission Holder (hereinafter referred to as the “group company of Permission Holder”)

c. Scenario 3: A new company which does not hold any valid uplinking / downlinking permission issued by the MIB and the shares of such new company are not held by the Permission Holder Company or the shareholders of the Permission Holder Company (hereinafter referred to as the “new entrant in Broadcasting”).

It is pertinent to note that the MIB has vide its Office Memorandum dated June 25, 2014 clarified that no fresh security clearance would be sought in case a Permission Holder under Scenario 1 seeks permission for additional television channel(s) within the validity period of the security clearance.

With regard to scenario 2, keeping in mind that a Permission Holder and the shareholders of the Permission Holder have already been security cleared by the MHA, we recommend that the aforesaid approach of the MIB be extended to such companies, and accordingly, no fresh security clearance should be required under scenario 2 where the group company of the Permission Holder has sought permission to uplink/downlink a television channel. A copy of the permission issued by the MIB should however be made available to MHA for their record and information as part of the process.

In our view, security clearance should only be required in scenario 3, where a new entrant intends files an application seeking permission to uplink/downlink a television channel. The MIB may grant permission to uplink/downlink a television channel to such new entrant only after the security clearance has been granted by the MHA.

Further, we are of the opinion that the validity of Security Clearance issued by the MHA should be co-terminus with the validity of the uplink/downlink permission granted by the MIB during which such companies should be allowed to launch any new/additional television channels without the requirement of any fresh security clearance.

II. Security Clearance of Directors:

The stipulation by MIB to seek prior permission for appointment of an individual as a director on the board of a Permission Holder as set out in Clause 5.10 of the Uplinking Guidelines is creating practical problems and difficulties. Security clearance of a proposed director takes a considerable amount of time, sometimes as long as 9-12 months.

It is pertinent to note that a broadcasting company is required to comply with several statutory requirements surrounding directors and these statutory requirements are required to be complied in a timely manner; for example, there is a requirement for certain class of companies to appoint independent directors on their boards. To appoint an independent director or any new director (if an existing director resigns) to a company's board requires security clearance before such appointment. Accordingly, a company cannot comply with applicable law. To cite another example, a private limited company requires at least two directors on its board (i.e. minimum requirement under the Companies Act, 2013). If one of the directors resigns or dies or is unable to discharge his functions as a director, such company's/Permission Holder's ability to appoint another director in place of such director is restricted until receipt of relevant approval.

Accordingly, to address the foregoing challenges, we recommend the following:

a. The applicant company should be allowed to furnish a declaration with regard to the director it proposes to appoint in a format to be prescribed by the MIB/MHA following the appointment of a director on the board of such company. Unless it receives an intimation from the MIB within a prescribed period of time, such director's appointment shall be deemed as approved by the MIB. However, in case the security

clearance of such Director is rejected by the MHA, the Permission Holder should be required to remove such director from its board.

b. The validity of security clearance of the newly appointed Director(s) should be co-terminus with the validity of the security clearance of the Permission Holder.

c. A security cleared director may also be appointed as a director on the board of any other group company of the Permission Holder during the validity period without having to seek fresh security clearance.

d. There should not be any requirement for seeking security clearance in respect of independent directors and key executives of a company. It should be adequate that an intimation may be filed by the company with the MIB in this regard within a prescribed period of time from the appointment of such independent director / key executive.

B. Clearance from MCA and DOR:

Under the current process, an application is sent to an empanelled chartered accountant to review an applicant company's net-worth. Post this, the MCA gives their comments on the applicant company's net-worth, the comments from MCA are again sent to the empanelled chartered accountant for confirmation. Sending the documents back to the empanelled chartered accountant slows down the already cumbersome process further. The MCA gives their comments and the empanelled CA only verifies what the MCA has said and that to from information which is already publicly available on the MCA's website. The comment received from the MCA should not be sent to the empanelled chartered accountant the second time for further examination as this slows the entire process down.

In the case of downlinking, the application is also being sent to the DOR for examining the distribution agreement which has to be submitted by the applicant. This examination is based on clause 1.3 of downlinking guidelines dated December 5, 2011, and is reproduced below for ease of reference:

"The applicant company must either own the channel it wants downlinked for public viewing, or must enjoy, for the territory of India, exclusive marketing/ distribution rights for the same, inclusive of the rights to the advertising and subscription revenues for the channel and must submit adequate proof at the time of application."

We are of view that this examination can be done by the MIB itself and there is no requirement for further sending the file to the DOR just so that the above can be confirmed. This will help expedite the process of granting uplinking/downlinking permissions.

In our view, the above recommendations would go a long way in expediting the process for granting uplinking/downlinking permissions. This will in turn be in line with, and tie-into, the government's objective of 'Ease of Doing Business' in India.

Entry Fee and License fee:

10. If it is decided to continue granting of licenses for satellite TV channels on administrative basis, as is the case presently, what should be the entry fee for grant of license for uplinking of TV channels from India, downlinking of TV channels uplinked from India, and downlinking of foreign TV channels? Please suggest the fee amount for each case separately with appropriate justification.

Response: We are of the view that the current fee structure is adequate and does not warrant any changes. Any further increase in these amounts would only act as an entry barrier for new players and be against the spirit of the 'Ease of Doing Business' initiative and competition specially since it would be difficult for new entrants to pay high fee over and above the other very high costs associated with broadcasting of channels. We believe that the fee is already high enough to restrict entry only to serious players and at the same time does not burden new or small players in the sector.

11. What should be the license fees structure, i.e. fixed, variable, or semi-variable, for uplinking and downlinking of satellite TV channels? Please elaborate if any other license fee structure is proposed, with appropriate justification.

Response: Please refer to the response to paragraph 10, above.

12. If the variable license fee structure is proposed, then what should be rate of license fee for TV channels uplinked from India and TV channels uplinked from abroad, and what should be the definition of AGR?

Response: Please refer to the response to paragraph 10, above.

13. If the semi-variable license fee structure is proposed, then what should be the minimum amount of license fee per annum for domestic channels (uplinked and downlinked in India), uplink only channels, and downlinking of foreign channels (uplinked from abroad)?

Response: Please refer to the response to paragraph 10, above.

14. If the fixed license fee structure is proposed, then what should be the license fee per annum for domestic channels, uplink only channels, and downlinking of foreign channels?

Response: Please refer to the response to paragraph 10, above.

15. What should be the periodicity for payment of the license fee to the Government? Please support your answer with justification.

Response: The present periodicity is adequate and fair.

16. What should be the periodicity for review of the entry fee and license fee rates?

Response: We are of the view that TRAI should start a consultation process for the license tenure and fees every eighth year and be implemented from tenth year onwards. In this case, the review mechanism could be elaborate and since the new structure will be in place at least a year before being implemented, it would give a leeway to companies to plan their expenses and operations well in advance.

Encryption of TV channels:

17. Should all TV channels, i.e. pay as well as FTA satellite TV channels, be broadcasted through satellite in encrypted mode? Please elaborate your responses with justification.

Response: We are of the view that encryption of FTA channels should not be mandatory and whether or not to encrypt a FTA channel should really be the broadcaster's option. The reason for this is that there are significant costs associated with encryption of channels such as seeding on a distribution network. However, broadcasters may still encrypt their FTA channels for various reasons such as protection against piracy etc., but it should be really be the option of a broadcaster on whether to encrypt a channel or not. Mandatorily requiring broadcasters to encrypt their FTA channels would load them with additional costs in an already cost intensive sector.

Operationalisation of TV channel:

18. Is there a need to define the term "operationalisation of TV channel" in the uplinking guidelines, and downlinking guidelines? If yes, please suggest a suitable definition of "operationalization of TV channel" for the purpose of the uplinking guidelines, and the downlinking guidelines separately.

Response: We are of the view that there is no need to define the term 'operationalization' as channels, once endorsed on a wireless operating license issued by Wireless Planning Coordination ("WPC") Wing of Department of Telecommunication, channels are considered operational. The teleport operator starts uplinking a TV channel on a particular satellite from this date, as per the technical

parameters permitted in their operating license and a broadcaster starts paying the teleport operator on a monthly/annual basis for uplinking services.

Operationalisation of downlinking permission is a factor of uplinking operation and is an activity not entirely in control of broadcaster - is a longish process of contractual engagement with distribution operators and hence must not be included as part of regulation.

While we agree that certain malpractices exist wherein broadcasters start transmission of the channel within the roll-out period and stop such transmission after some time, we also believe that operationalisation should not be linked with the distribution of a TV channel because distribution of a channel depends on various factors other than just commencing uplinking. Further, distribution plans keep changing depending on market and business exigencies.

It is our view that malpractices would stop or at least greatly reduce if the timelines associated with licensing of TV channels from MIB are reduced as then there would be no need for any broadcaster to obtain permissions from entities trading channel permissions.

For the reasons mentioned above, broadcasters should be given a time of three years to operationalize a channel.

19. Maximum how many days period may be permitted for interruption in transmission or distribution of a TV channel due to any reason, other than the force-majeure conditions, after which, such interruption may invite penal action? What could be suggested penal actions to ensure continuity of services after obtaining license for satellite TV channel?

Response: We are of view that since permission is granted for period of ten years and as long as a channel operator is paying its annual license fee, there should not be any requirement to have such restrictions. It may be considered that interruption may be for any reason including technical failure, change of programming strategy, distribution strategy or other requirements and no period of interruption should be prescribed for that.

20. Whether the existing provisions for transfer of license/ permission for a TV channel under uplinking guidelines, and downlinking guidelines are adequate? If no, please suggest additional terms and conditions under which transfer of license/permission for a TV channel under uplinking guidelines, and downlinking guidelines may also be permitted? Please elaborate your responses with justification.

Response: Transfer of business or undertaking through a slump sale are legally recognised methods of transfer of a business. However, as per the existing provisions of the Uplinking/Downlinking Guidelines, the permission issued by MIB can be transferred only in case of merger/demerger/amalgamation of the Permission Holder, that too subject to prior approval of the MIB.

The present era is that of consolidation and convergence hence it is vital for the guidelines to recognize and facilitate the transfer of permissions from the Permission Holder without having the need to seek prior approval from the MIB if the merger/amalgamation/acquisition/transfer of Permission Holder(s) is done in accordance with the applicable laws.

In our view, in case of a merger/demerger/amalgamation/business transfer, the permission issued by MIB should be de-facto transferred in favour of a transferee company so long as the merger/demerger/amalgamation of the Permission Holder company is approved by a court of competent jurisdiction (a copy of which is filed with the MIB along with relevant documents) or is in accordance with applicable laws in the case of a business transfer and a copy of the document recording the business transfer is filed with the MIB. That said, the transferee company needs to ensure continued compliance of the provisions of the uplinking/downlinking guidelines and an undertaking on such compliance should form part of the (a) merger/demerger/amalgamation application which is filed with the courts in the case of a merger/demerger/amalgamation; and (b) the document recording the business transfer in the case of a business transfer. A copy of the documents should also be filed with the MIB as an intimation for their records.

We are of the view, for the reasons mentioned above, TRAI should issue a Merger and Acquisition guidelines, which would go a long way in the Ease of Doing Business in the broadcasting sector.

21. Should there be a lock in period for transfer of license permission for uplinking, or downlinking of a TV channel? If yes, please suggest a suitable time period for lock in period. Please elaborate your responses with justification.

Response: In our view, there should not be any lock in period.

22. Should the lock in period be applicable for first transfer after the grant of license/ permission or should it be applicable for subsequent transfers of license/ permission also?

Response: Please see our response to paragraph 21, above.

23. What additional checks should be introduced in the uplinking and downlinking permission/ license conditions to ensure that licensees are not able to sub-lease or trade the license? Please suggest the list of activities which are required to be performed by Licensee Company of a satellite TV channel and can't be outsourced to any other entity to prevent hawking, trading or subleasing of licenses.

Response: In our view to deal with issues surrounding sub-leasing or trading of licenses, below is a list of activities which should be restricted to the channel owner and/or its affiliates only:

- a. Distribution of a permitted TV channel should be done by the owner or its affiliate only.
- b. Contract with teleport operator for uplinking of TV channel should be with the owner or its affiliate.
- c. All financial transactions should be carried out through the owner.
- d. No single company should be allowed to buy a time slot of more than six hours in a day on a TV channel.
- e. There should be restriction in number of times a channel can change its name in a year.

Meaning of a Teleport:

24. Whether specific definition of a teleport is required to be incorporated in the policy guidelines? If yes, then what should be the appropriate definition? Please elaborate responses with justification.

Response: In the present regulatory framework, to operate a teleport, there are several regulatory approvals that are required, some of which overlap. These approvals create duplicity of work and wastage of time. The government should aim towards simplifying the regulatory processes involved in operating a teleport.

Per the current regulatory framework, set out below is a step wise procedure for setting up a teleport:

- Step 1 : Issuance of permission from MIB.
- Step 2 : Frequency plan approval from Network operation Control Centre ("NOCC").
- Step 3 : Issuance of decision letter from WPC.
- Step 4 : Issuance of Import License & Standing Advisory Committee for Frequency Allocation ("SACFA") clearance from WPC & Mandatory Performance Verification Test ("MPVT") by NOCC
- Step 5 : Issuance of wireless operating license from WPC.

Post issuance of an operating license, the teleport operator has to seek permission from the MIB, WPC and NOCC every time the teleport operator has to endorse an additional channel. Endorsement of channel onto the teleport is a technical change involving modification in teleport or satellite.

Accordingly, we are of view that any additional channel endorsement or any change in the channel should not involve the detailed process above, which in turn delays things, and should involve only an intimation to the MIB, WPC wing and NOCC on a self-certification basis.

We propose below definition of teleport:

"An earth station facility from where multiple TV channels carrying audio, video and data content) can be uplinked on a geostationary satellite on permitted frequency band and not limited to a single uplink setup."

A teleport should be consider as a hub where multiple antennae can be placed for uplinking to different satellites. It is pertinent to note that the WPC wing always issues operating licenses based on antenna and the uplinking chain.

Entry fee, Processing fee, and License fee for teleport license:

25. Is there any need to increase the amount of non-refundable processing fee to be paid by the applicant company along with each application for teleport license? If yes, what should be the amount of non-refundable processing fee? Please elaborate with justification.

Response: We are of the view that the current fee requirements are adequate and do not warrant any changes. Any further increase in these amounts would act as an entry barrier for new players and be against the spirit of 'Ease of Doing Business' initiative.

The fee is high enough to restrict entry only to serious players and at the same time does not burden new entrants in the sector.

26. Should entry fee be levied for grant of license to set up teleport? If yes, what should be the entry fee amount? Please give appropriate justification for your response.

Response: Please see our response to paragraph 25, above.

27. What should be the license fee structure for teleport licensees? Should it be fixed, variable or semi-variable? Please elaborate if any other license fee methodology is proposed, with appropriate justification.

Response: Please see our response to paragraph 25, above.

28. What should be the rate of such license fee? Please give appropriate justification for your response.

Response: Please see our response to paragraph 25, above.

29. What should be the periodicity for payment of the license fee to the Government? Please support your answer with justification.

Response: We are of the view that the current periodicity is adequate and does not warrant any change.

30. What should be the periodicity for revision of the entry fee, and license fees rate for teleport licensees?

Response: It is our view that the periodicity of review of the fee should be every 10 years.

Restriction on the number of teleports:

31. Whether there is a need to restrict the number of teleports in India? If yes, then how the optimum number of teleports can be decided? Please elaborate your responses with justification.

Response: In our view, there is no need to restrict the number of teleports in India. Any attempt to restrict the number of teleports will tantamount to limiting the infrastructure to uplink TV channels. The greater the number of teleports, the greater the competition, which will in turn bring down costs.

32. Whether any restriction on the number of teleports will adversely affect the availability or rates of uplinking facilities for TV channels in India?

Response: In our view, restriction in the number of teleports will eventually have an adverse impact on the rates for uplinking on account of a limited infrastructure to uplink.

Location of Teleports:

33. What should be the criteria, if any, for selecting location of teleports? Should some specific areas be identified for Teleport Parks? Please elaborate your responses with justification. Optimum use of existing teleport infrastructure

Response: In the current regulatory regime, a teleport operator has to obtain SACFA clearance from the WPC wing of the DOT in respect of its teleport.

SACFA clearance is given based on various technical factors such as the height of the antenna from ground level, distance of antenna from nearest airport, frequency used etc. after receiving comments from twenty of its members.

The SACFA clearance is required to be sought once the MIB and WPC wing grant permissions in respect of the teleport.

It is suggested that application at MIB should be accepted only after grant of SACFA clearance to applicant companies as this will save time and there would not be any doubt in location of teleport.

34. Please suggest the ways for the optimal use of existing infrastructure relating to teleports. Unauthorized Uplink by Teleport operator.

Response: Since a teleport is an infrastructure facility, the government should ease and encourage infrastructure sharing amongst teleport operators. A teleport plays a very important role in uplinking of TV channels and hence awareness with regard to the regulatory framework must be created amongst all teleport operators.

Infrastructure sharing can only be encouraged by relaxing the various regulatory processes that a teleport operator needs to adhere to.

TRAI could consider a suggestion to MIB to bring teleports as infrastructure sector, and also accord incentives similar to those offered for Export Oriented Zones, Special Economic Zones, as this would help increase competition and help in the country's agenda to make India as a teleport hub, competing with Thailand, Hong Kong and

Singapore. The move would also encourage foreign operators to set up local teleports, and lower operating costs for broadcasters.

35. What specific technological and regulatory measures should be adopted to detect, and stop uplink of signals of non-permitted TV channels by any teleport licensee? Please elaborate your responses with details of solution suggested.

Response: The signal uplinked by a teleport operator is currently being monitored by below two agencies:

1. Wireless monitoring organisation which a part of the Department of Telecommunication has setup an International Satellite Monitoring Earth Station ("ISME"), JALNA, Maharastra which monitors the signal being uplinked by various teleport operators and send their report to the WPC wing.
2. NOCC also monitors signals being uplinked by various teleport operators

Teleport operator has bigger responsibility in maintaining licensed conditions for operation as any unauthorized use of the same can potentially damage other channels. In this context, regulation to make Channel ID as essential input in the teleport processing chain would help to curb unauthorized uplinks with malicious intent causing damage to the other broadcaster service.

Any other issue

36. Stakeholders may also provide their comments on any other issue relevant to the present consultation.

Response: We are of the view that both TRAI and MIB should look at a role of a facilitator with light-touch regulations and leave the market forces to decide on the developments. TRAI should also move away from fixing tariffs

ENDS