



Telecom Regulatory Authority of India



Consultation Paper

On

“Ease of Doing Business in Broadcasting Sector”

31st July, 2017

Mahanagar Doorsanchar Bhawan

Jawahar Lal Nehru Marg

New Delhi-110002

Website: www.trai.gov.in

Written comments on the consultation paper are invited from the stakeholders by 28th August 2017.

Counter comments, if any, may be submitted by 11th September 2017.

Comments and counter comments will be posted on TRAI's website www.trai.gov.in.

The comments and counter comments may be sent, preferably in electronic form to, Prof. M. Kasim, Advisor (B&CS)-III, Telecom Regulatory Authority of India, on the e-mail: mkasim@traigov.in or aspandey@traigov.in

For any clarification / information, Advisor (B&CS)-III may be contacted at Tel. No.: +91-11-23237922, Fax: +91-11-23220442.

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CHAPTER 1

Introduction

- 1.1 India has made significant strides in economic growth and development of its markets for business, thus emerging as one the fastest growing economies in the world. The IMF has branded India as the brightest spot in the Global Economy. Several Global Institutions have projected India as the leading destination for FDI in the World and a number of recent global reports and assessments, show that India has considerably improved its policies, practices and economic profile. It is expected that enabling policies and determination to continue with economic reforms, various initiatives taken by the Government such as Make in India, Smart City Mission, Skill India Mission, Digital India, etc. would further spur the growth of the economy.
- 1.2 A business-friendly environment is a pre-requisite for the growth of a nation and makes a country a favorite business destination. It not only leads to employment generation but also helps in the growth and development of an economy. The economic liberalization measures initiated in the early 1990's has focused on reduction of regulatory burden on enterprises as an underlying objective of the reform process. The Government of India has launched an ambitious program of regulatory reforms aimed at making it easier to do business in India. The program aims to pinpoint the bottlenecks and ease them to create a more business-friendly environment. The efforts have yielded some results with India ranked at 130 as per the World Banks' Doing Business report 2017¹. There is however still huge scope for further improvements.

¹ <http://www.doingbusiness.org/~media/WBG/DoingBusiness/Documents/Annual-Reports/English/DB17-Report.pdf>

Indian Media and Entertainment (M&E) industry

- 1.3 The Indian Media and Entertainment (M&E) industry is a sunrise sector for the economy and is on the cusp of a strong phase of growth riding on increasing digitization and higher internet usage. The demographic dividend comprising of over 500 million youths offer huge potential for increased demand and business revenues. This coupled with improvement in ease of doing business may catapult the country into a faster growth trajectory and in the league of developed nations. The Government has already taken several steps to reform the business environment and to place the country on an equal footing with countries having encouraging, flexible, liberalized and a transparent business climate.
- 1.4 India has had consistent high GDP growth rates and has seen increase in FDI. Globally India is the fifth largest Media and Entertainment market and stood at INR 1262.1 billion at the end of 2016². It is estimated to grow at a CAGR of 13.9% to INR 2419.4 billion by 2021.
- 1.5 The broadcasting sector in the country has seen exponential growth over the years. Both the Government and the Authority has been constantly promoting plurality of broadcasting services and multiple distribution platforms for providing choices to consumers to access TV channels and FM radio services. Government has been providing a policy environment encouraging a level playing field for different delivery platforms to prosper and flourish in a fair way, thereby giving the viewers wider choices. Due to these timely policy and regulatory interventions, the Indian broadcasting landscape now presents a very vibrant picture with presence of multiple distribution platforms such as cable TV, DTH, HITS, and IPTV in broadcasting sector.

² <https://assets.kpmg.com/content/dam/kpmg/in/pdf/2017/04/FICCI-Frames-2017.pdf>

1.6 While the broadcasting sector so far has been replete with success, the Authority is of the view that this sector has immense potential to move on higher trajectory of growth if more conducive business environment could be created by simplifying existing provisions of policy framework related to broadcasting sector. It has also been noted that certain existing provisions may require a re-look in view of the technological changes that have taken place in the broadcasting sector. The Authority is of the view that the attractiveness of business proposition is the prime mover and creates the potential for investments. However, business potential can be further enhanced with better ease of doing business. Therefore, taking a cue from the Government's efforts towards ease of doing business, the Authority has, *suo-motu*, decided to go for a consultation with the stakeholders on ease of doing business in the broadcasting sector.

1.7 The Authority on 19th April 2016 issued a pre-consultation paper with a view to indentify relevant issues which are required to be addressed for the purpose of Ease of Doing Business in the broadcasting sector with the following objectives :-

- (a). To review various policy issues related to the broadcasting sector with a view to create a conducive and business friendly environment in the sector
- (b). To identify procedural bottlenecks that affect ease of doing business in broadcasting sector and recommended measures for simplifying the rules, regulations and bring more transparency and clarity in the policies and framework of the broadcasting sector.
- (c). To remove entry barriers by laying down well defined and transparent procedures and processes thereby creating level playing field and competition in the sector.
- (d). To facilitate innovation and technology adoption in the sector for providing better quality of services to the consumers.

- (e). To steer further growth of the sector by attracting investment through investor friendly policies.
- (f). To promote indigenous manufacturing of broadcasting equipments.

1.8 In response to the pre-consultation paper, 18 comments have been received from various stakeholders. These comments have been analyzed and relevant issues are included in the present consultation paper.

1.9 The consultation paper has been divided into four chapters. Chapter 2 provides an overview of policy evolution in the broadcasting sector in the country. Chapter 3 discusses various issues relating to the present consultation. Chapter 4 provides a summary of all the issues for consultation.

CHAPTER-II

Policy evolution of broadcasting sector

2.1 Radio and Television Broadcasting sector in India has had eventful journey. Radio broadcasting in the country was consolidated in 1936 when the erstwhile Indian State Broadcasting Service, was renamed as All India Radio (AIR). AIR has come long way since then and today it has a network of 143 medium wave (MW), 48 short wave (SW), 417 Frequency Modulation (FM) transmitters and about 36 digital transmitters. AIR covers almost 92% of the country by area and more than 99.20% of the country by population. The FM radio broadcasting was opened up for private participation in the year 1999 through FM Phase-I policy guidelines which led to growth of private FM broadcasting in the country. Apart from All India Radio, 260 private FM channels are operational in the country in 84 cities by 33 private FM radio broadcasters. Also about 200 community FM radio stations operated by community based organizations including NGOs and universities specifically are catering to communities in smaller areas. The policy evolution for FM radio sector is summed up in the Fig. 1 below.

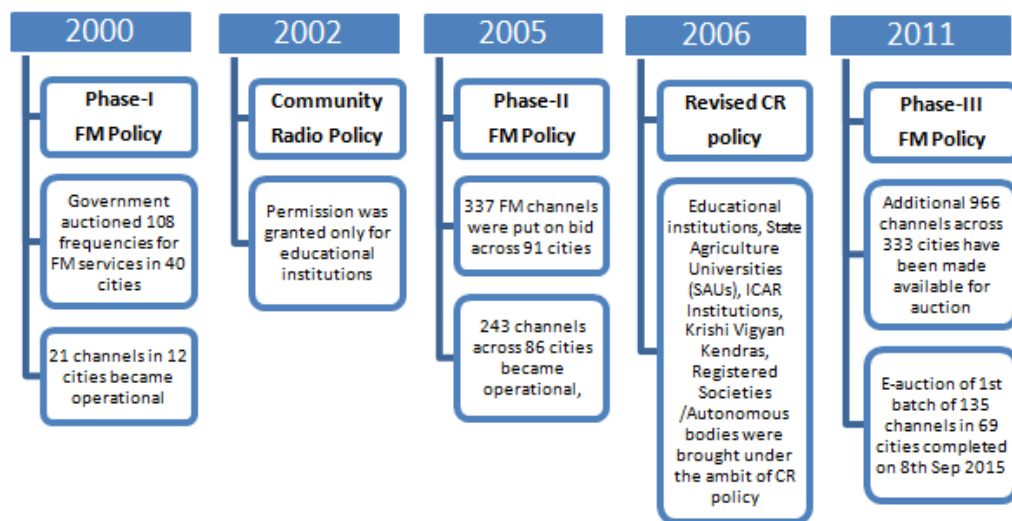


Figure 1: Policy milestones for FM radio sector

- 2.2 Television broadcasting in India commenced on 15 September 1959 with experimental transmission of terrestrial TV signal and subsequently regular TV broadcasts were started in 1965. Major expansion of terrestrial TV services took place around 1982 when national telecasts and color TV were introduced. Terrestrial TV broadcasting continues to be exclusive domain of Doordarshan. Today it has one of the largest network comprising of 66 studio centres, 1412 transmitters operating 30 satellite TV channels and a free to air DTH platform.
- 2.3 The cable television market in India emerged in the early 1990s. In order to regulate operations of cable television services, Government promulgated the Cable Television Networks (Regulation) Ordinance 1994. Subsequently the Cable Television Networks (Regulation) Act, 1995 was brought into force with effect from 25th March, 1995 by replacing the Ordinance. This paved the way for subsequent regulatory framework in cable TV sector contributing towards consolidation, emergence of Multiple System Operators (MSOs) and digitization of distribution networks. The cable TV sector comprises of large number of MSOs and LCOs serving over 100 million cable TV subscribers.
- 2.4 The regulatory framework for satellite broadcasting was initiated by the Government in 1999. Government of India (Ministry of Information and Broadcasting) notified the “Guidelines for uplinking from India” in July 2000. This was followed by “Guidelines for Uplinking of News and Current Affairs TV Channels from India” in March 2003. Subsequently “Guidelines for use of Satellite News Gathering (SNG)/Digital Satellite News Gathering (DSNG)” were issued in May 2003. The Government further amended these guidelines on October 20, 2005. All these were consolidated into one set of guidelines and the consolidated uplinking guidelines were notified on

December 2, 2005 which were further amended and notified in 2011. The permissions for teleports are also granted by MIB under these Guidelines. There are 85 teleport operators in the country.³

2.5 The Policy Guidelines for Downlinking of Satellite Television Channels, in India for public viewing were issued in November 2005. The Government further amended these guidelines in 2011. All persons/entities providing Television Satellite Broadcasting Services (TV Channels) uplinked from other countries to viewers in India as well as any entity desirous of providing such a Television Satellite Broadcasting Service (TV Channel), receivable in India for public viewership, is required to obtain permission from the MIB in accordance with the terms and conditions prescribed under the said guidelines.

2.6 The Government has adopted a soft touch licensing framework for grant of permission for private satellite channels so as to allow multiple players in the market to ensure plurality of view point as well as competition. As a result, the number of satellite TV channels grew exponentially during the last two decades. There are 883 private satellite TV channels as on 31st June 2017 permitted by the MIB out of which 391 news and current affairs channels and 492 non news and current affairs channels⁴. A total of 91 TV channels, uplinked from abroad, have been permitted to be downlinked in India, out of which 16 TV channels are news and current affairs channels and 75 TV channels are non-news and current affairs channels. MIB has also given permission for 18 channels channels to be uplinked from India which are not permitted to be downlinked in India.

2.7 The Government issued policy guidelines for Direct-To-Home (DTH) broadcasting services in India on 15.3.2001 which marked the

³ <http://broadcastseva.gov.in/webpage-User-teleport>

⁴ <http://mib.nic.in/broadcasting/uplinking-or-downlinking-tv-channels>

beginning of DTH services in India. As of now, apart from Free Dish, free-to-air DTH services of Doordarshan, there are 6 pay DTH service providers in operation with an active subscriber base of 63.61 million⁵.

- 2.8 Internet Protocol Television (IPTV) Services in India are regulated as per the 'Guidelines for provisioning of IPTV services' issued by MIB on 8.9.2008 which enable distribution of TV content through IPTV by Telecom Service Providers, Internet Service Providers and Cable operators (including MSOs and LCOs).
- 2.9 Policy guidelines for Headed-in-the-sky (HITS) issued in 2009 is another milestone in the policy evolution in broadcasting sector. At present there are two HITS operators in the country. A few service providers have initiated efforts towards distribution of TV content using “Over-The-Top” (OTT) services which are attracting a growing number of viewers.
- 2.10 Digitization of cable TV network is one of the key initiatives of the Government in the broadcasting sector to address issues of analog cable TV systems, thereby by providing wider choices to the consumers as well as transparent business environment to other stakeholders. The Cable Television Networks (Regulation) Act, 1995 was further amended in 2011 to facilitate this process. The cable sector is presently substantially digitized and digitization is expected to usher a new era in broadcasting as it would be win-win situations for all stakeholders and change the way television is distributed and consumed in India. It would certainly put India in the league of advanced countries and open up new business opportunities. In this direction the government has recently allowed MSOs to offer PAN India services with a single registration to help them to spread their services across the nation.

⁵ A the end of Quarter Mar'17

2.11 Recognizing need for a transparent, credible and accountable television rating system in the country, the Government on the basis of TRAI recommendations, issued policy guidelines for Television Rating Agencies in India in 2014. TRAI has also issued recommendation on “Issues related to Radio Audience Measurement and Ratings in India”⁶ dated 15th September 2016 for putting in place a credible and reliable radio rating system in the country.

2.12 An overview of policy evolution for television broadcasting sector is indicated in the Fig. 2 below.

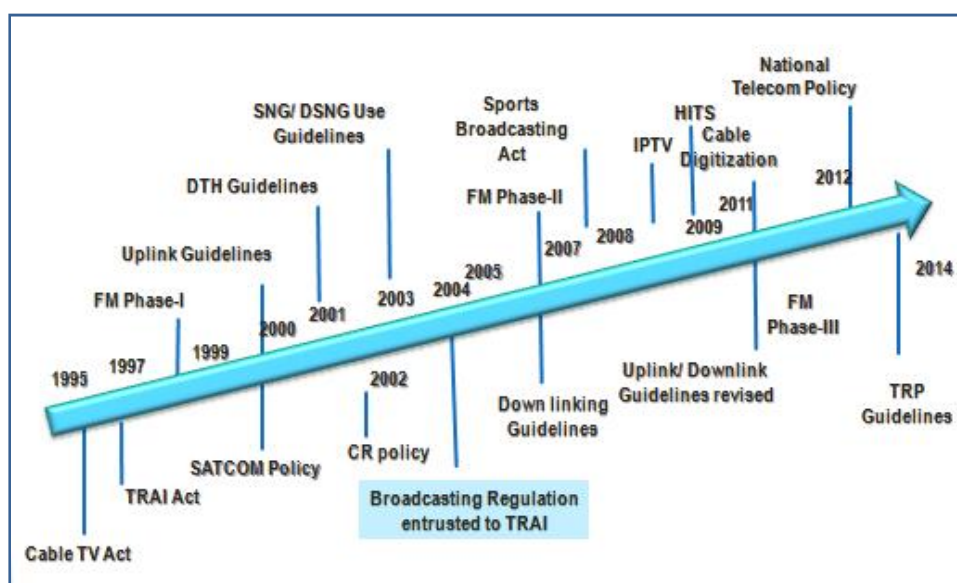


Fig. 2: Broadcasting policy milestones

2.13 India has a liberalized FDI regime for attracting foreign investors in broadcasting sector. As per data released by Department of Industrial Policy and Promotion (DIPP), the Foreign Direct Investment (FDI) inflows in the Information and Broadcasting (I&B) sector (including Print Media) in the period April 2000 - December 2016 stood at 34,958.61crore (i.e. US \$ 6,263.13 million)⁷. The Government in 2016 had further liberalized the FDI policy for various segments in the

⁶ http://www.traai.gov.in/sites/default/files/Recommendations_15_September_2016.pdf

⁷ http://dipp.nic.in/English/Publications/FDI_Statistics/2016/FDI_FactSheet_OctoberNovemberDecember2016.pdf

broadcasting sector to ensure foreign capital inflows in the sector. The liberalized foreign investment policy, rapidly expanding huge market and digitization of broadcasting sector provide for a vast potential for future growth and opportunities for foreign players and investors.

2.14 The Broadcasting and Cable Services came under the regulatory ambit of TRAI on 09.01.2004. TRAI is vested with the responsibility of ensuring orderly growth of the broadcasting sector while protecting the interests of the consumers at large. TRAI has been issuing various regulations, tariff orders, directions, etc for achieving these objectives. Various regulatory interventions of TRAI have ensured competition, fair play and equity in the sector.

2.15 Both the Government and the Authority has been constantly promoting multiple television distribution platforms for providing choices to consumers to access TV channels. Government has been providing a policy environment which is conducive to a level playing field for all the TV delivery platforms to prosper and flourish in a fair way, thereby giving the viewers a wider choice of channels to suit their needs. Due to these timely policy and regulatory interventions, the Indian broadcasting landscape has evolved over the last decades and it now presents a very vibrant picture with presence of multiple platforms such as cable TV, DTH, HITS, and IPTV.

CHAPTER-III

Issues related to Ease of Doing Business in the broadcasting sector

- 3.1 India being a diverse country with different languages and myriad culture, television and radio were considered to influence the people in much larger way than other medium of communication. Broadcasting services in India were initially controlled by the public broadcaster. This scenario started changing with the emergence of cable TV services and satellite TV services during the nineties. This was the time when policy and regulatory framework for broadcasting sector began to come into existence. The initial policy framework appears to have been influenced by the perceptions of earlier era where broadcasting was considered to be a sensitive sector as it has the potential of influencing the minds of public at a large. Therefore special attention was paid to in the earlier framework to safeguard national and public interests against cultural intrusion and monopolistic media control to ensure fair and balanced dissemination of information to the masses. The security concerns were therefore one of the key areas of initial policy framework.
- 3.2 The scenario started changing with the advancement of technologies over the years. Today hundreds of TV and radio channels are available to the consumers through multiple delivery platforms. Further with increased penetration of portable devices, internet and broadband, these channels are also available to the consumers through alternate delivery methods with anytime and anywhere access. In digital era conventional linear TV channels are also available to the consumers through streaming and on-demand services offered by other alternative platforms. Social media platforms such as Twitter, facebook, whatsapp etc. has enabled the people to access information and share or express their views on variety of issues affecting their

day to day life. The consumer base of various social media platforms is surging everyday with the increased penetration of internet. Many traditional broadcasters and delivery platform operators have already started offering their services through alternate platforms to supplement their traditional business models as well as to meet the growing demand for non-linear access of services. The number of people accessing media through alternate platforms is far more than the consumer base of traditional broadcasting services and with huge user base the new media platforms are assuming special importance.

3.3 Though the broadcasting sector is growing at a break neck speed due to technological advancement and innovations, the licensing and the permission process for starting and operating broadcasting services as provided in the extant framework continue to be influenced by legacy perceptions related to security aspects as well as the sensitivity of the sector to influence the view points of the consumers. While the emerging alternate platforms enjoy a feather touch policy approach, the traditional broadcasting sector continues to be governed by the earlier perceptions and legacy framework. A prospective applicant desirous of entering into broadcasting business has to encounter complex processes requiring clearance from multiple agencies. Even when the services are started, the permission holder is required to seek periodic clearances to continue with his operations.

3.4 The Authority is aware that the government has initiated several measures with a view to improve ease of doing business in the broadcasting sector. The FDI regime in the sector has been liberalized to attract investment in the sector. Recently, an online portal, “Broadcast Seva” has been launched by MIB to enable stakeholders to access information and online submission of applications. The MSOs have been permitted to operate in any part of the country with a single registration which used to be one of the hindrances in the expansion of their business. However there are still many issues to be addressed

in the existing policy framework so as to enable the stakeholders to create a conducive and business friendly environment to set up and operate broadcasting services. For this purpose, it is necessary to identify policy and regulatory issues which may be perceived as bottlenecks by the stakeholders towards ease of doing business, growth of the sector and in achieving operational excellence.

3.5 The World Bank “Ease of doing business” ranking is one such benchmark that looks at business environment assessing several activities which impact starting businesses and the performance of firms. The indicators focus mainly on the following parameters: Starting a Business, Dealing with Construction Permits, Getting Electricity, Registering Property, Getting Credit, Protecting Minority Investors, Paying Taxes, Trading across borders, Enforcing Contracts and Resolving Insolvency. While many of these parameters might be less relevant for the broadcasting sector, they provide guidance for a broad classificatory framework for identifying bottlenecks. In this consultation stakeholders’ concerns have been mainly limited under issues related to Starting a business and Operational issues.

3.6 Regulation of broadcasting activities in the country is undertaken by following Ministries/Departments/organizations

- As per the Allocation of Business Rule, the Ministry of Information and Broadcasting (MIB) is the nodal Ministry for all broadcasting activities in the country. It acts as policy maker, licensor and content regulator.
- Telecom Regulatory Authority of India (TRAI) is the regulator for broadcasting and cable services. It also regulates tariff, interconnection and QoS for broadcasting services and cable services.
- Ministry of Communications & Information Technology (WPC and NOCC) is vested with the responsibility for regulating and operational coordination of broadcasting spectrum and grant of wireless operating license for broadcasting services.

- Department of Space (DoS) is the nodal agency for coordinating use of satellites and clearance for broadcasting activities.

3.7 The MIB grants registration/permission for following broadcasting services

- (i) Satellite TV channels
- (ii) Teleports
- (iii) Direct-to-Home (DTH) service
- (iv) Private FM services
- (v) Headend-in-the-sky
- (vi) MSOs
- (vii) Community Radio Stations

3.8 The salient features of the various parameters for grant of license/registration/permission for the above services are indicated in **Annexure I**.

3.9 The issues that are reportedly affecting the ease of doing business and growth potential of the sector which have come to the notice of the Authority, and which have been pointed out by the stakeholders during pre consultation process, are discussed in paras to follow.

Issues related to Satellite Television Channels

3.10 Distribution of private television channel to consumers in the country or abroad through broadcasting is required to be registered under policy guidelines for Uplinking of Television Channels and Downlinking of Television channels issued by the Ministry of Information and Broadcasting (MIB). The permission for satellite TV channels are granted under two categories viz. “News and Current Affairs TV channels” and “Non News and Current Affairs TV channels”.

3.11 The permission process comprises of a number of stages after submission of the application with processing fee to the MIB. The application processing requires checking of eligibility of the applicant company by MIB, security clearance from MHA, satellite use clearance from DOS (Only for uplinking permission), clearance from Department of Revenue (Only for Downlinking permission), clearances from WPC and NOCC (Only for uplinking permission). While these processes may appear justifiable from the perspective of the concerned agencies, the requirement of multiple permissions that too from different agencies may be perceived as an issue by the stakeholders as it complicates obtaining permission and may result in unpredictable delays having adverse impact on ease of doing business. The key issues related to grant of permission for operation of satellite TV channels are briefly discussed below.

Multi stage application process

3.12 The grant of permission of satellite TV channels involves other ministries/departments of the governments such as Ministry of Home Affairs (MHA), Department of Revenue (DOR) and Department of Space (DOS). Further, all internal and inter-ministerial processes are presently done manually. It has been submitted by stakeholders that the process of approval is a lengthy one and usually takes 3-6 months time. During the pre-consultation, several stakeholders across the broadcasting value chain submitted that the lengthy processes and multiple permissions spanning different ministries and agencies is a hindrance to the ease of doing business. They submitted a need for harmonization and streamlining of permission process with clear cut timelines so that they can plan their business accordingly.

Delay in Security Clearances

3.13 As per the extant guidelines, the security clearance from MHA in respect of applicant Company and its Directors/Key executives is a

mandatory requirement for obtaining permission for TV channels. The stakeholders submitted that there had been instances where MHA took considerable time, sometimes stretching upto 9-12 months, in granting security clearance, thereby creating a lot of uncertainty about their business plan. The situation is more grave in case where foreign nationals are proposed as directors of the company. Currently MIB refers application for security clearance to MHA through manual process without any clear timelines. Stakeholders advocated that there is a need to put in place a mechanism whereby security clearances are granted within specified time frame so as to avoid uncertainty in the business plan of broadcasting companies. The MIB has recently relaxed the requirement of MHA clearance in respect of grant of permission for MSOs. The FDI caps for broadcasting sector have also been liberalized with allowing hundred percent FDI in most of the segments except news and current affairs channels. The broadcasting business of Satellite TV channels is permitted to an entity registered in India. In such scenario it may be argued that security clearance from MHA may not be a necessary prerequisite for grant of permission particularly in case non news and current affairs channels. While TV channels under news and current affairs category, being a sensitive matter, may need more regulatory oversight and therefore MHA clearance may be necessary in such cases. It is therefore important to have a relook on the existing approval processes to identify and weed out some of the superfluous and repetitive permission processes. Having a well defined timelines for the related activities may be helpful to enable the stakeholders to plan their business accordingly.

Prior permission for change of Directors/key personnel

- 3.14 As per extant policy framework, permission holder broadcaster is required to seek prior permission from MIB for effecting any change of directors/key personnel during the currency of permission for TV channels. The MIB grants such permission after obtaining security

clearance from MHA. The stakeholders submitted that this stipulation of prior permission creates practical problems and difficulties in appointments and change of key executives when the approval from MIB gets delayed inordinately. They submitted that there are other statutory requirements under Companies Act/SEBI regulations that mandate timely appointment of key executives of the company. Therefore any delay in granting permission may lead to a scenario where the broadcasting companies are unable to comply with other statutory requirements enjoined in the other laws governing the Companies since companies would have to wait till the approval of the MIB for such compliances. Therefore, such delays in clearance in a way result in non-compliance of other statutory requirements prescribed under different regulations of Government of India. As such, the companies having no option are forced to be non-compliant even with best intentions and initiatives to ensure regulatory compliances. Since the broadcasting entities have to mandatorily registered in India and have liberalized norms for FDI, the extra mandatory requirement of getting prior clearances from MHA may not appear business friendly. On the other hand from over sight and security perspectives, it may be important to have background checks, in case of owners and key officials, particularly for news channels. Such requirements may however be implemented in a manner such that it doesn't adversely affect the business environment.

Annual renewal of Uplink/Downlink permission

- 3.15 As per the extant guidelines, the permission for Uplinking and Downlinking of channel is granted for an initial period of 10 years subject to annual renewal. During pre consultation some stakeholders have pointed out that the present system of grant of annual renewal of TV channel permission is fraught with delays, as a result of which sometimes channels are being run without annual renewal. This has cascading effect on the commercial transactions of broadcasters with DPOs and other stakeholders in the value chain. Such provisions can

easily be simplified by doing away with annual renewal processes. MIB can make provisions under which permission granted to broadcasters can be withdrawn by giving a prior notice even when broadcaster has permission for longer period. Obligations of annual renewal can be considered for change in annual reporting to keep adequate control on the sector. This will also reduce regulatory burden on broadcasters.

Operational changes in name, logo, language etc.

- 3.16 Besides annual renewal, broadcasters are also required to seek MIB's approval/permission for change in name of the channel, addition of languages, change in channel logo, etc. Stakeholders are of the view that such changes are generally required depending upon their business plans. Therefore, it would be in their business interest to get these permissions at the earliest. The stakeholders pointed out that prior approvals are required from MIB to effect any one of these changes involves elaborate documentation and it is a time consuming process.

Permission for HD/SD variant of same channel

- 3.17 At present, SD and HD formats carrying same feed are considered separate channels and permissions are granted separately. In the era of advancement of technologies, new technologies such as HD, 4K is gaining momentum in the broadcasting sector. There are different types of TV receiver sets available with the consumers, therefore in order to address all the consumers, a TV channel may have to take permission for its three different version namely SD, HD and 4K. The TV channel permission is being granted by MIB for Hindi/ English/ Regional Languages as a TV channel can simultaneously have multiple sound signals of different languages and the subscribers can select their preferred language. In this scenario, it is relevant to examine as to whether broadcasters may be permitted use different variants of a TV channel such as SD, HD, 4K, etc when content of the

TV channel remains same in all versions and there is only format change involved, with a single permission instead of having separate permission for each of variant.

Single window clearance system

- 3.18 Though the MIB is the nodal agency, however the permission for TV channels are granted after obtaining inter-ministerial/departmental clearances such as MHA, DOS, and DOR. Further, the applicants are also required to approach separately to WPC and NOCC of Department of Telecommunications (DoT) for frequency assignment and other approvals related to usage of spectrum by the broadcaster for uplinking. In order to improve ease of doing business, it may be helpful if a simplified single window mechanism is established at MIB as one stop shop for processing and grant of all permissions related to TV channels with provision of back channel communication with other related departments. Such single window system if integrated with concerned departments would enable the companies to interact with a single point of contact for submitting applications, status monitoring, obtaining necessary approvals and payment of fees etc. Such a single window if implemented as an online facility, will go a long way to ease the overall ease of doing business in the broadcasting sector.

Temporary uplinking of non-news and current affairs TV channels

- 3.19 As per extant policy framework, the non-news and current affairs TV channels are not permitted to carry live feeds of any event without prior permission of MIB. This restriction creates problem in coverage of live events of national importance and other events of public interest. This results in denial of wider coverage of such events in the broadcast media. In order to broadcast such events the non-news and current affairs broadcasters have to take prior permission from the MIB before live telecast of such events. They have stated that they are

also required to submit bandwidth arrangement as well as teleport permission to MIB at the time of seeking temporary Uplinking permission to cover such events. After the receipt of permission from MIB, necessary approvals from WPC and NOCC are also required to be obtained before the live telecast. The entire process takes substantial time. However, often live telecast rights of events are granted to broadcasters only few days before the date of the scheduled event. In many situations broadcaster is unable to get necessary uplink permission due to paucity of time leading to financial losses to the broadcasters. This may also restrict their ability to showcase important events to subscribers.

Improving ease of doing business for sports broadcasters

- 3.20 As mentioned earlier, MIB grants TV channel permission under two categories only namely “news and current affairs” and “non-news and current affairs” channels. Sports TV channel have specific requirement of carrying larger part of live feeds which need to be sent from the place of the event to their central production facility. This is the area of concern identified by the sports broadcasters as they are not permitted to uplink live feeds without having a prior permission from MIB for the coverage of the sports event. The sports broadcasters are also not permitted to use SNG/DSNG for uplinking of such live sports events without prior permission as SNG/DSNG can be operated by the news and current affairs broadcasters only. It is also pointed out that “non-news and current affairs” broadcasters cannot also make use of optical fibre links for contribution of live feeds.
- 3.21 In today’s scenario where technological advances have opened new vistas for programme production, contribution and transmission bringing live feeds and programming to the people without any delay, the extant provisions may not appear business friendly. The sports broadcasters who are duly permitted to operate their TV channels, should not require any separate permission regime to avail the

services from approved SNG/DSNG operators. Further the use and operation of SNG/DSNG by news and current affairs broadcasters and Teleport operators is well regulated. A suitable mechanism may be developed for utilization of approved SNG/DSNG or telecom infrastructure for contribution links. Therefore the extant provisions pertaining to temporary Uplinking permission may require to be rationalized and simplified to encourage coverage of national events and sporting events. This is likely to contribute to development of sports and dissemination of sports programming in addition to improving overall ease of doing business.

Issue for consultation:

- Q1. Is there a need for simplification of policy framework to boost growth of satellite TV industry? If yes, what changes do you suggest in present policy framework relating to satellite TV channels and why? Give your comments with justification?**
- Q2. Is there a need in present policy framework relating to seeking permission for making changes in the name, logo, language, format, etc. related to an operational satellite TV channel? If so, what changes do you suggest and why? Give your comments with justification?**
- Q3. Do you agree with some of the stakeholders comment at pre-consultation stage that Annual Renewal process of TV channels needs simplification? Give your comments with justification?**
- Q4. Do you agree with stakeholders' comments that coordination with multiple agencies/ Government departments related to starting and operating of a TV channel can be simplified? If so, what should be the mechanism and framework for such single window system? Give your comments with justification?**
- Q5. Is present framework of seeking permission for temporary uplinking of live coverage of events of national importance**

including sports events is complicated and restrictive? If yes, what changes do you suggest and why? Give your suggestions with justification.

Issues related to DTH/Teleports/HITS

3.22 The broadcasting services being provided by DTH/Teleport/HITS make use of satellites. While DTH operators are allowed to use Ku band frequencies, the HITS policy guideline permits HITS operator to use both C and Ku band. Teleports are operating in C-band only. Therefore, these services have some common issues related to licensing process and operational aspects. The key issues raised by stakeholders are as discussed below.

Multi stage application process for grant of license

3.23 Like satellite TV channel, the permission/license for DTH/HITS/Teleports is also a multi stage process involving different ministries/departments. Applicants are also required to approach WPC/NOCC and MIB multiple times before commencement of services. Further the procedural steps for grant of licenses and permission are quite different in above cases. The stakeholders pointed out that there is an urgent need to streamline and simplify these convoluted process from the point of view of ease of doing business by defining the timelines and having standardized procedures with a single window clearance system. Stakeholders have submitted that grant of permission and license for the services or upgradation of operational capacities get considerably delayed as it requires clearances from MHA, DoS, WPC, NOCC etc. They have also submitted that in order to effect any change in the composition of the Board of Directors and appointment/changes of Key executives, they need to obtain prior permission from MIB which often gets delayed due to non receipt of security clearances from MHA. While stakeholders' views may be critical from ease of doing business

perspective, some of the existing provisions and procedures may be important from need of coordination amongst the agencies and monitoring perspectives. Therefore a review of current provisions may be helpful in streamlining the procedures to an improved and efficient permission/ license processes.

Open sky Policy for Ku band

- 3.24 DTH operators have indicated that they are also confronting with issue of limited availability of satellite transponders for offering their services. DTH operators are carrying over 400 TV channels on their platforms out of the 883 TV channels permitted by MIB. These channels include SD and HD channels. HD channels require more bandwidth for transmission. The number of HD channels is on the rise. A few operators have also started experimental 4K services. The growth of TV channels, HDTV, 4K and on demand services is likely to create more demand for transponder capacity for the DTH operators.
- 3.25 It is observed that the requirement of Ku band transponders may see increase in coming years not only from private DTH sectors but because of proposed expansion of DD DTH platform from current 80 channels to 104 channels initially and thereafter 250 channels by 2018. Also the HRD ministry has planned to launch a large number of educational TV services over DTH platform in near future.
- 3.26 Unlike other satellite based communication services, the requirement of transponder capacity for DTH service offering about 400 TV channels may be significantly higher in the order of 18 to 24 Ku-band transponders for accommodating different formats of TV channels. The the requirement of Ku-Band transponders for DTH services have been growing steadily, however DoS has not been able to match the same with creation of indigenous satellite capacity. Most of the DTH operators therefore are using foreign satellites and their business

expansion plans are dependent on foreign satellite capacity. As per data reported by DTH operators, out of the 67 transponders being used by the private DTH operators, 19 transponders are from the INSAT system and the remaining are from the foreign satellites. This results in significant outgo of foreign exchange of the order of 7.5 million USD every year.⁸

3.27 As per the extant policy of DoS, Broadcasters/Teleport operators and HITS operators are permitted to use C-band frequencies for providing services whereas the DTH services are provided in Ku Band only. Acquisition of C-Band satellite capacity is fully liberalized such that the service providers can directly enter into agreements with the foreign satellite owners for acquiring C-band capacity subject to some clearances from DoS such as coordination of foreign satellites with the Indian orbital slots. Due to this open sky policy in C-Band there are no hindrances in acquisition and there is no shortage of C-band capacity. However, in the case of DTH sector the acquisition of Ku-Band transponder capacity is highly regulated. The acquisition of Ku-Band transponder capacity for DTH operators is done by DoS. Stakeholders have submitted that the extant policy of DoS doesn't permit DTH operators to acquire Ku band transponders directly from the satellite owners as in the case of C-band capacity. At present Antrix, a Public Service Undertaking of DoS, would acquire and allocate necessary Ku band transponder capacity from foreign satellites to meet the requirements of DTH operators. Antrix in turn would enter into back to back agreements with the foreign satellite owners for shorter periods.

3.28 The stakeholders during pre consultation have reported that there has been considerable delay in acquiring Ku band transponders from DoS as a result of which they are not in a position to chalk out their business plan. While digital Cable TV is capable of delivering upto

⁸ Assuming a transponder hiring cost of 3000 USD/MHz and bandwidth about 2500 MHz.

1000 TV channels, their expansion of DTH services are restrained due to non availability of adequate transponders.

- 3.29 The stakeholders have also have raised challenges faced in hiring of transponders capacity on foreign satellites which also affects the overall business environment. As per existing framework, the hiring process is coordinated and executed by ISRO on behalf of the operators and the DTH operators thereafter have to enter into agreement with the foreign transponder providers at the price and terms & conditions worked out by ISRO. Thereafter the operators have to seek clearance from MIB, WPC, NOCC and other agencies before starting use of the hired capacity. The permissions often get delayed and the operators end up paying towards the transponder costs from the date of execution of their agreement putting them into disadvantage.

Actual utilization of acquired Ku band transponder/bandwidth

- 3.30 In the pre-consultation, it has been brought out by stakeholders that the process from acquiring Ku band transponder frequency from DoS to commencing of broadcast service is a lengthy and time consuming process which requires multiple clearances from same agency. The whole process, beginning from the receipt of transponder/frequency allotment letter from DoS until receipt of the final uplinking permission takes about 6 months as they have to approach WPC and NOCC multiple number of times for various approvals. For a DTH Operator – starting from the acquisition of Satellite Transponder capacities from Department of Space (DoS) until the commencement of broadcast – the following steps are required to be completed:

Process Steps	Description	Issuer	Approx. Timelines
Start	Receipt of Frequency Allotment Letter	DoS	NA
Step 1	No Objection Certificate	MIB	9 weeks
Step 2	Frequency and Carrier Plan Approval	NOCC	1 weeks
Step 3	Decision Letter for Grant of Operating License	WPC	7 weeks
Step 4A	Equipment Import License	WPC	6 weeks
Step 4B	Mandatory Performance Verification Testing (MPVT) for antenna	NOCC	04 weeks *
Step 5	Wireless Operating License	WPC	3 weeks
Step 6	Final Uplinking Permission	NOCC	1 weeks
Total Approx. Timelines			27 weeks

*Step 4A & 4B are taken in parallel and hence only the longer duration has been considered.

3.31 Another concern raised by the stakeholders is that the charges toward transponder capacities become payable from the day it is allocated to DTH operator by ISRO. The above delay results in non-utilization of bandwidth and also financial losses incurred towards the rental and commission to be paid to ISRO. They have therefore suggested that since the hiring of Ku-Band bandwidth is done by DoS and the frequency allocation and permission/license are subsequently issued by other Govt. agencies, all such processes may be simplified and made co-terminus so that the service providers do not incur financial loss. In this regard well defined timelines may be laid down for completion of subsequent activities towards grant of permissions once the bandwidth acquisition and agreements are signed by the operators.

3.32 Another matter of concern spelt out during pre consultation is that ISRO coordinates the hiring of Ku Band capacity for contractual obligations limited upto 3 years period only. This is an impediment for operators in finalizing long term business plans and for seeking competitive rates from the capacity providers. The operators have to pay a fee @ 7% on the contract value to Antrix as consultancy charges

for hiring of capacity. In addition, they are required to pay spectrum charges to WPC and monitoring charges to NOCC for monitoring of the transmission and coordination with other transponder operators. They opine that a through revision of process of hiring of capacity and clearances from concerned agencies needs to be carried out and open sky policy for acquisition of Ku band transponders is required to be implemented to have parity with the C-Band service providers.

Allocation of bandwidth to TV channels

- 3.31 As per the extant guidelines, applicant companies for obtaining TV channels permissions are required to submit an agreement signed with the teleport operator for the availability of bandwidth for uplinking of their channel. It has been submitted by stakeholders that the time taken for grant of permission to a broadcaster may be about 3 to 6 months including DOS clearance. Thereafter, permission holders are granted one year time for actual operationalization of the channel. Teleport operators are of the view that since permission and subsequent operationalization of channel takes considerable period of time; they will have to earmark this frequency band for such period without realization of any uplinking fee from the broadcasters till such time permissions are obtained by them. However, they continue to pay bandwidth fee to the satellite owner during the intervening period. This creates financial burden on the operators.

Annual renewal of Teleport permission

- 3.32 As per the extant policy, the permission is granted for a period of 10 years for teleports subject to submission for annual renewal at an annual fee of Rs. 2 lakhs. Stakeholders have pointed out that annual renewal very often gets delayed as a result of which the teleport operators cannot make agreement with the new applicants for channels. The permission to the teleport operators for foreign

exchange remittance for bandwidth on a foreign satellite also often gets delayed due to delay in annual renewal permission. Such delay sometimes adversely affects their business and agreement with foreign satellite owners.

Other issues related to acquiring satellite bandwidth

3.33 Further, all satellite agreements are to be cleared by Department of Space for confirming whether such satellite are coordinated with INSAT systems. In order to cut-short such DOS clearance, the stakeholders submitted that DOS should publicize the list of foreign satellites having footprints in Indian subcontinent which are coordinated with INSAT system so that the process of obtaining DOS clearance could be avoided in such cases. It has been observed that duration of foreign satellite clearance is granted by DoS is for 3 years. Teleport operators are of the view that such a small duration of clearance would not be in their business interest, rather they would prefer to have long term contract with the satellite owners for economic consideration.

Issue for consultation:

Q6. Do you feel the need to simplify policy framework for seeking permission/license for starting and running of following services–

(i) Teleport services

(ii) DTH service

If yes, what changes do you suggest so that process of grant of permission/license can be simplified and expedited? Give your comments with justification.

Q7. As per your understanding, why open sky policy for Ku band has not been adopted when it is permitted for ‘C’ band? What changes do you suggest to simplify hiring of Ku band transponders for

provision of DTH/HITS services? Give your comments with justification.

Q8. What are the operational issues and bottlenecks in the current policy framework related to –

(i) Teleport services

(ii) DTH service

How these issues can be simplified and expedited? Give your comments with justification.

Issue related to Cable Television

3.34 The government and TRAI has taken several measures to promote the growth of cable TV sector. Cable TV has been substantially digitized and therefore offers huge potential for new services and business opportunities. The MSO registration process has already been simplified by MIB by doing away with manual submission of applications. The requirement of security clearance has also been dispensed with. MSOs have now been permitted to have nation wide operation with single registration. TRAI has also recommended several proactive measures to spur the growth of the cable TV sector. These include infrastructure sharing, facilitation of broadband through cable etc. Some of the issues raised by stakeholders pertaining to ease of doing business are discussed below.

Registration of LCOs

3.35 The registration of cable operators could not be streamlined over the years since enactment of CATV Act in 1995. It is a matter of great concern that no authentic data on the number of LCOs is available from the registering authority. As per the Cable Rules, presently duration of registration of cable TV operator is only one year with a provision of renewal on yearly basis. It has been observed that

duration of one year is grossly inadequate for making a long term investment and business plan by a cable operator. Further, as per the existing interconnect regulatory framework, a valid LCO registration is a pre-requisite for MSO's to enter into commercial agreement with LCO's. It has been observed that many a times such agreements cannot be executed due to the expiry of one year registration of LCO's. A longer duration of registration of LCO's would ensure uninterrupted execution of interconnect agreement between MSO's and LCO's. The registration process of LCO needs to be revamped to make it business friendly. TRAI in its recommendations on "Restructuring of cable TV services"⁹ dated 25th July 2008 has also recommended that the registration period for LCO may be extended to 5 years with renewal provisions thereafter which is yet to be implemented. In absence of a LCO database not only the business transactions get affected but TRAI and other agencies are also unable to monitor the compliance of regulatory provisions which ultimately also affects the QoS to the consumers.

Right of Way (RoW)

- 3.36 One of the major issues grappling the cable operators is regarding Right of Way (ROW). The Cable operators have pointed out that they have not been able to get easy access to public places for laying cables for expanding their business. At present, different charges are being levied by the local authorities from cable operators for RoW. Some state governments or utilities demand arbitrary and exorbitant levies from cable operators for hanging the cables on electric poles. To compound the issue, multiple agencies are involved in grant of Right of Way (ROW) clearance. Further, cable operators are required to spend excessive time and means for obtaining clearance from the local authorities. Uncoordinated development activities such as road expansion, laying of electrical cables etc. that are undertaken by multiple agencies and private operators results in frequent cuts in

⁹ <http://www.trai.gov.in/sites/default/files/recom25july08.pdf>

cable, leading to depreciated life of the cable and increase in the cost of operating cable TV networks. Accessing Right of Way is a major issue being faced by cable operators for providing broadband services. The CTN Act provides certain provisions relating to grant of RoW to the Cable operators. The Act further empowers the MIB to lay down appropriate guidelines to enable the state government to put in place an appropriate mechanism for speedy clearance of requests from the cable operators for laying cables or erecting post on the public land. These guidelines have been recently issued by the MIB to the State Govts. on 16.6.2017 wherein the State Govt. have been requested to put in place appropriate mechanism for speedy clearance of requests from cable operators for grant of Right of Way.

Issue for consultation:

Q9. What are the specific issues affecting ease of doing business in cable TV sector? What modifications are required to be made in the extant framework to address these issues? Give your comments with justification.

Q10. Is there a need to increase validity of LCO registration from one year? In your view, what should be the validity of LCO registration? Give your comments with justification.

Issues related to Private FM Radio/ Community radio

3.37 FM radio sector has witnessed an impressive growth due to the enabling environment provided by the Government through the Policy guidelines for private participation. The radio has become an important means to address the communication needs of the people in far flung areas of the country in their own regional languages.

3.38 In Phase-III expansion of FM radio, 966 FM radio channels are to be made available in 333 cities. In the first batch of Phase-III, 135 private FM Radio channels in 69 cities were auctioned in 2015. Out of these,

96 FM Radio channels in 55 cities have been successfully auctioned¹⁰. In the second batch of Phase-III, 266 private FM Radio channels in 92 cities were auctioned in 2016¹¹. Out of these, 66 FM Radio channels in 48 cities have been successfully auctioned¹². As on 31st March 2017, 293 FM radio stations have been made operational in 84 cities by 32 private FM Radio broadcasters. In so far as FM sector is concern, it has seen significant growth. The FM licensing process is transparently administered through auctions. However the successful bidders have to seek multiple clearances from WPC which need to be simplified with a clear cut timelines.

Issue for consultation:

Q11. What are the issues in the extant policy guidelines that are affecting the ease of doing business in FM sector? What changes and modifications are required to address these issues? Give your comments with justification.

Issues related to broadcasting frequency clearances

3.39 Permissions/operationlization for all broadcasting services (except Cable TV) requires frequency/spectrum clearances from the WPC and NOCC. The stakeholders pointed out that the process of clearances often gets delayed and in some cases, they have to seek multiple clearances from the same department. Services such as FM Radio, DTH, HITS and teleports require clearances from Standing Advisory Committee on Radio Frequency Allocations (SACFA) from WPC following receipt of letter of Intent from MIB. It has been pointed out that SACFA clearances often get delayed inordinately as no specific timelines are prescribed for such clearances. In addition to clearance from WPC, services such as TV channels, DTH, HITS, and Teleports

¹⁰ http://www.mib.nic.in/WriteReadData/documents/1st_Batch_FM_Phase-III_Auction_results.pdf

¹¹ http://mib.nic.in/WriteReadData/documents/NIA-E-Auction_of_Second_Batch_of_Private_FM_Radio_Phase-III_Channels.pdf

¹²

require clearances from NOCC. Operators are required to approach WPC and NOCC separately though they are housed under the same Department. Operators submitted that both WPC and NOCC charge substantial fee separately (NOCC – Rs 60000/per MHz per annum and WPC –Rs 90000/per MHz per Annum) and they are of the view that the manual process of clearances and fee structure require an urgent review and rationalization.

- 3.40 During the pre-consultation, stakeholders raised the difficulties being faced by them for the allocation/assignment of frequencies by WPC wing. It has been brought to the notice of the Authority that WPC has been adopting a six monthly window system for assignment of broadcasting frequencies after 2G verdict of Hon'ble Supreme Court in 2012. In case the permission is delayed beyond six months, the service provider will have to wait for getting frequency assignment when the window is opened again. Such adhoc arrangement is reported to be against the business concerns of the stakeholders.

Issue for consultation:

Q12. Is there a need to streamline the process of assignment of frequency by WPC and clearances from NOCC to enhance ease of doing business? What changes do you suggest and why?

Q13. What are the reasons for delay for allocation of frequencies by WPC? What changes do you suggest to streamline the process? Give your comments with justification.

Issues related to Indigenous Manufacturing

- 3.41 India is blessed with demographic dividends as half of the population comprises of youth. The growth of economy and proliferations of ICTs are expected to fuel demands for broadcasting services and infrastructure in the country. Broadcasting sector is on the verge of

digitization and increased convergence amongst various communication platforms is being seen in the digital era. With the advancement of ICT technologies, many broadcasting activities involving processing and transmission of content can be done through software oriented equipments leading to better quality and viewing experience. In today's converged scenario, IP based equipments are increasingly used for various broadcasting related activities. At present, most of the equipment for production, transmission and reception of broadcasting services is sourced from abroad. Considering the growing broadcasting dynamics and the strengths in software and ICT based developments, India offers huge opportunities for equipment manufacturers and system designers to produce various broadcasting equipments and systems in the country itself. The "Make in India" initiative of the Government provides an excellent opportunity for these equipments manufactures to set up their firms in India.

3.42 India is well known for huge market for set top box due to the digitization of Cable TV sector. In addition, the thriving DTH sector also contributed huge demand of STBs in the country. At present, there are about 62 million private DTH subscribers in the country besides nearly 20 million FTA consumers of DD free dish. As per the information available, nearly 61 million cable TV STBs are deployed in the country during the digitization of first three phases. It has been reported that majority of these STBs have been imported from countries like China, Korea etc. Though there has been immense opportunity for domestic production of STBs in the country, they are being undercut by foreign suppliers due to various reasons. It has been reported that 4 out of every 5 STBs deployed in India are imported, leaving India's domestic manufacturers out of the lion's share of STB market. The introduction of high definition channels and smart TV have led to increase in digital TV viewing which in turn will hike the growth of STB market in the country. This huge domestic

demand indicates the need for increased indigenous manufacturing as currently the local production caters to only 30% of the demand. The suppliers in countries like China and Korea provides enormous support from financial institutions which offer long term credit over 3-5 years at extremely low interest rate to the STB manufacturers. On the other hand, it has been reported by industry that domestic STB manufacturers has not been able to match with their counterpart in the foreign countries due to non-availability of easy access to financial assistance or investment in the sector. Therefore, in order to promote manufacturing of indigenous STBs and also to have level playing field with foreign STB vendors, there is a need to create enabling environment. The stakeholder has proved out that if the broadcasting distribution platforms/networks are given status of “Infrastructure” sector, it may ease out several problems.

3.43 The Conditional Access System (CAS) is an important integral part of overall STB system. Presently, CAS being proprietary item is dominated by large foreign vendors. These CAS vendors define what STB to be used. The integration of CAS is main stumbling block of STB manufacturer. To address this issue, the government had commissioned development of Indian CAS and middleware (MW) which was successfully completed in very short time. iCAS is now under implementation phase. Doordarshan has already adopted iCAS for their DD direct FTA platform which is migrating from MPEG-2 to MPEG-4. Adoption of standardized CAS system may create economies of scale and facilitate ease of doing business.

Issue for consultation:

Q14. What are the key issues affecting the indigenous manufacturing of various broadcasting equipments and systems. How these issues can be addressed?

15. Is there any other issue which will be relevant to ease of doing business in Broadcasting sector? Give your suggestions with justification.

Issues related to Trials for New Technologies

Broadcasting sector has seen a rapid evolution of production and transmission technologies. Once the new technologies are standardised, these are to be adopted and deployed by the stakeholders. Broadcasting transmission networks operate under regulatory framework where Government permissions, wireless operating license and frequency allocation etc. are pre-requisite before offering broadcasting services. The applicant entities are also required to fulfil the various eligibility criteria, pay requisite fees and guarantees etc. prescribed in the respective service licensing/ permission guidelines. The extant policy and regulatory framework does not have provision if an entity is interested to carry out trials for testing and introduction of a new broadcasting technology. Such trails may be useful to assess the feasibility and understand practical and operational issues before considering its deployment.

It is observed that in the current scenario carrying out technology trials with an objective to understand new technologies for assessing their potential and suitability for adoption in Indian context is not facilitated by the current policy and regulatory framework. Such trials can only be done as being a regular service provider which will require fulfilling requisite eligibility criteria and obtaining the permission and licenses as applicable in case of launching regular services. This discourages technology innovation and adoption of new technologies. It may therefore be helpful to devise policy guidelines to encourage development of an eco-system that will foster development and adoption of new technologies in the sector.

Chapter 4

Summary of Issues for Consultation

- Q1. Is there a need for simplification of policy framework to boost growth of satellite TV industry? If yes, what changes do you suggest in present policy framework relating to satellite TV channels and why? Give your comments with justification?**
- Q2. Is there a need in present policy framework relating to seeking permission for making changes in the name, logo, language, format, etc. related to an operational satellite TV channel? If so, what changes do you suggest and why? Give your comments with justification?**
- Q3. Do you agree with some of the stakeholders comment at pre-consultation stage that Annual Renewal process of TV channels needs simplification? Give your comments with justification?**
- Q4. Do you agree with stakeholders' comments that coordination with multiple agencies/ Government departments related to starting and operating of a TV channel can be simplified? If so, what should be the mechanism and framework for such single window system? Give your comments with justification?**
- Q5. Is present framework of seeking permission for temporary uplinking of live coverage of events of national importance including sports events is complicated and restrictive? If yes, what changes do you suggest and why? Give your suggestions with justification.**
- Q6. Do you feel the need to simplify policy framework for seeking permission/license for starting and running of following services–**
- (iii) Teleport services**
 - (iv) DTH service**

If yes, what changes do you suggest so that process of grant of permission/license can be simplified and expedited? Give your comments with justification.

Q7. As per your understanding, why open sky policy for Ku band has not been adopted when it is permitted for 'C' band? What changes do you suggest to simplify hiring of Ku band transponders for provision of DTH/HITS services? Give your comments with justification.

Q8. What are the operational issues and bottlenecks in the current policy framework related to –

(iii) Teleport services

(iv) DTH service

How these issues can be simplified and expedited? Give your comments with justification.

Q9. What are the specific issues affecting ease of doing business in cable TV sector? What modifications are required to be made in the extant framework to address these issues? Give your comments with justification.

Q10. Is there a need to increase validity of LCO registration from one year? In your view, what should be the validity of LCO registration? Give your comments with justification.

Q11. What are the issues in the extant policy guidelines that are affecting the ease of doing business in FM sector? What changes and modifications are required to address these issues? Give your comments with justification.

Q12. Is there a need to streamline the process of assignment of frequency by WPC and clearances from NOCC to enhance ease of doing business? What changes do you suggest and why?

- Q13. What are the reasons for delay for allocation of frequencies by WPC? What changes do you suggest to streamline the process? Give your comments with justification.**
- Q14. What are the key issues affecting the indigenous manufacturing of various broadcasting equipments and systems. How these issues can be addressed?**
- Q15. Is there any other issue which will be relevant to ease of doing business in broadcasting sector? Give your suggestions with justification.**
- Q16. Are there any issues in conducting trial projects to assess suitability of a new technology in broadcasting sector? Give your comments with justification.**
- Q17. What should the policy framework and process for consideration and approval of such trial projects?**
- Q18. Stakeholders may also provide their comments with justification on any other issue relevant to the present consultation paper.**

List of Acronyms

Abbreviation	Description
AGR	Adjusted Gross Revenue
AIR	All India Radio
ARPU	Average revenue per user
BB	Broadband
CAGR	Compound Annual Growth Rate
CAS	Conditional Access System
CPE	Customer Premises Equipment
CRS	Community Radio Stations
DD	Doordarshan
DIPP	Department of Industrial Policy and Promotion
DOS	Department of Space
DoT	Department of Telecommunication
DSNG	Digital Satellite News Gathering
DTH	Direct-To-Home
EOL	End of line
FDI	Foreign Direct Investment
FM	Frequency Modulation
FTA	Free to Air
GDP	Gross Domestic Product
GOPA	Grant of Permission Agreement
HDTV	High Definition Television
HFC	Hybrid Fibre Coaxial
HITS	Headed-in-the-sky
ICT	Information Communications Technologies
IMF	International Monetary Fund
IPTV	Internet Protocol Television
ISRO	Indian Space Research Organisation
LCOs	Local Cable operators

LoI	Letter of Intent
M&E	media and entertainment
MHA	Ministry of Home Affairs
MIB	Ministry of Information and Broadcasting
MSOs	Multiple System Operators
MW	Medium wave
NOCC	Networks Operation Control Centre
NOTEF	Non-refundable one time entry fee
OTT	Over-The-Top
RoW	Right of Way
SACFA	Standing Advisory Committee on Radio Frequency Allocations
SAUs	State Agriculture Universities
SDTV	Standard Definition Television
SNG	Satellite News Gathering
STB	Set top box
SW	Short wave
TRAI	Telecom Regulatory Authority of India
WoL	Wireless Operating License
WPC	Wireless Planning and Coordination

Annexure-I

Parameters	Uplinking of TV Channels		Downlinking of TV Channels	Teleport	DTH	HITS	MSO	LCO	CRS	FM Phase III
	Non-News and current Affairs TV channel	News and current Affairs TV channel								
Licensing Authority	MIB	MIB	MIB	MIB	MIB	MIB	MIB	Department of Post (DoP)	MIB	MIB
Processing Fee	Rs. 10,000	Rs. 10,000	Rs 10,000	Rs 10,000	N.A.	Rs. 1 lakh	Rs. 1 lakh	Nil	Rs 2500	Rs 25000
Networth Requirement (Eligibility)	First TV channel- Rs. 5 crore For each additional TV channel- Rs. 2.5 crore	First TV channel- Rs. 20 crore For each additional TV channel- Rs. 5 crore	First TV channel- Rs. 5 crore For each additional TV channel- Rs. 2.5 crore	For first teleport - Rs 3 crore For additional teleport - Rs. 1 crore	N.A.	Rs. 10 crore	Nil	Nil	Nil	D category Cities and cities with population upto 1 lakh: Rs 50 lakhs C category cities: Rs. 1 crore B category Cities: Rs. 2 crore A category Cities: Rs 3 crore A+ category Cities: Rs. 3 crore All categories of Cities in all regions: Rs. 10 crore
Entry Fee	Nil	Nil	Nil	Nil	Rs. 10 crore	Rs. 10 crore	Nil	Nil	Nil	based on e-auction
Performance Bank Guarantee (PBG)	Rs 1 crore per channel	Rs 2 crore per channel	Nil	Rs. 25 lakhs	Rs. 40 crore	Rs. 40 crore	Nil	Nil	Rs 25,000	
Period of Permission	10 years	10 years	10 years	10 years	10 years	10 years	10 years	1 year	10 years	15 years
Annual Renewal Fee/ Annual License Fee	Rs 2 lakhs per annum	Rs 2 lakhs per annum	Rs 5 lakhs per annum	Rs 2 lakh per annum	10% of Gross Revenue	Nil	Nil	Rs. 500	Nil	4% of Gross revenue (quarterly payment)
Registration Fee	Nil	Nil	Rs 10 lakhs	Nil	Nil	Nil	Nil	Rs. 500	Nil	Nil