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The Secretary
Telecom Regulatory Authority of India
Mahanagar Door Sanchar Bhawan
Jawahar Lal Nehru Marg (Old Minto Road)
New Delhi 110 002.

Sub : **Consultation Paper on Issues Relating to Mobile
Television Service (Consultation Paper No.
9/2007)**

Dear Sir,

We are giving below our comments on the issues raised in the Consultation Paper mentioned above.

Mobile TV is still in a nascent stage in most parts of the world wherever it has been launched. As mentioned in the Consultation Paper different technologies are being used in different countries for multi-cast and uni-cast of TV signals to the handheld devices while in motion. At this stage it will not be advisable to regulate or specify any single technology for provision of this service in India. In a technology neutral environment, the choice of technology should be left to the service providers based on their assessment of the most suitable technology in the light of their business case.

From our experience of the evolution of mobile telephony in India, the entry cost for the subscriber (cost of the hand set capable of receiving mobile TV) as well as the service charges

will be crucial for popularizing its demand and usage. Though uni-cast technologies like 2.5G, 3G may require more spectrum but they will enable the fastest roll out of the Mobile TV Service in India. The existing UASL and CMTS licenses permit the service providers to provide all types of mobile services including voice, video and data (triple play). Therefore, no new licenses need be issued under a new set of terms and conditions for the roll out of mobile TV services using uni-cast technologies. However, for providing Mobile TV in the broad cast mode new terrestrial TV licenses will have to be issued for which suitable terms and conditions should be decided based on the likely investment/revenues involved, the projected demand and spectrum availability.

Since 3G WCDMA technologies will be the most suitable for Mobile TV Service in the uni-cast mode, it is imperative that the government takes the final decision on the allocation and pricing of 3G spectrum without further delay.

In the light of our above general comments we are giving below our inputs on the various questions raised in the Consultation Paper.

Q1. Whether the technology for Mobile Television Service should be regulated or whether it should be left to the service provider.

Q2. If the technology is to be regulated, then please indicate which technology should be chosen and why. Please give reasons in support of your answer.

Ans : As mentioned above different Mobile TV technologies are being used in different countries. Moreover, the service is still in nascent stage and new technologies are under development/deployment. We should adopt a technology neutral environment, as has been done for Cellular Mobile and UAS Licenses. The choice of technology should be left to the service providers based on their assessment of the most suitable technology keeping in view the market availability of the equipment, the deployment cost and cost of user handsets etc.

Q3. What will be the frequency requirement for different broadcast technological standards for terrestrial and satellite mobile television transmission in India?

Ans : The frequency requirement will depend upon the technology deployed, the equipment availability and shall have to be internationally harmonized. The allocation of frequency for terrestrial and satellite Mobile Television Transmission should be as per NFAP-2002.

Q4. Which route would be preferable for mobile TV transmission-dedicated terrestrial transmission route or the satellite route? Should the mobile TV operator be free to decide the appropriate route for transmission?

Ans : There should be no bar to any TV transmission mode i.e. terrestrial broadcast or the satellite route or the uni-cast mode through 2.5G/3G mobile telephony systems.

Q5. How should the spectrum requirements for analogue/Digital/Mobile TV terrestrial broadcasting is

accommodated in the frequency bands of operation? Should mobile TV be earmarked some limited assignment in these broadcasting bands, leaving the rest for analog and digital terrestrial transmission?

Ans : At present terrestrial TV broadcast is only being done by Doordarshan. Government has not thought it prudent to issue terrestrial TV broadcast licenses to the private companies. We believe that as in the case of FM Radio, the government should permit private operators to provide terrestrial TV broadcast. There need not be any upfront segmentation of the frequency bands for digital/mobile TV terrestrial broadcasting. The frequency could be assigned based on demand and availability of spectrum. Analog TV terrestrial transmission is being phased out in most of the Europe-on and other countries. Therefore, no new licenses need be issued for analog TV terrestrial transmission in India.

Q6. IN the case of terrestrial transmission route, how many channels of 8MHz should be blocked for mobile TV services for initial and future demand of the services as there are nearly 270 TV channels permitted under down linking guidelines by Ministry of Information and Broadcasting?

Ans : In our opinion at least 2 channels of 8 MHz each should be assigned per operator while introducing Mobile TV Service. The total number of channels to be reserved for Mobile TV in this band would depend upon the number of licenses to be issued by the government. For adequate competition minimum of 4 licenses should be issued.

Q7. Whether Digital Terrestrial Transmission should be given priority for the spectrum assignment over mobile TV, particularly in view of the fact that the Mobile TV all over the world is essentially at a trial stage.

Ans : When more than 100 satellite TV channels and extensive cable and DTH networks are available all over the country, launching of extensive terrestrial digital TV transmission may not be of much use. On the contrary when no Mobile TV Service is available as of now, it would be better to encourage launch of Mobile TV Service as compared to the terrestrial digital TV transmission.

Q8. Whether the frequency allocation for the mobile TV should be made based on the Single Frequency Network (SFN) topology for the entire service area or it should follow Multi Frequency Network (MFN) approach.

Ans : Single Frequency Network (SFN) topology for the entire service area would be a better approach. This would of course depend upon the availability of the same frequency in the entire service area.

Q9. Whether frequency spectrum should be assigned through a market led approach auctions and roll out obligation or should there be a utilization fee?

Ans : One time entry fee, to be decided based on transparent bidding process, and usage charges in the form of revenue share should be adopted. Reasonable roll out obligations may also be prescribed so as to discourage hoarding of spectrum

by the licensees. This approach has already been adopted for the grant of FM Radio licenses (phase II).

Q10. What should be the eligibility conditions for grant of license for mobile television services.

Q11. Whether net worth requirements should be laid down for participation in licensing process for mobile television services? If yes, what should be the net worth requirements for participation in licensing process for mobile televisions services?

Ans : Appropriate net worth, depending upon the estimated investments involved for rolling out the service in the entire service area should be the main eligibility criteria. Companies having experience of rolling out wireless networks like cellular mobile services should be given preference.

Q12. What should be the limit for FDI and portfolio investment for mobile television service providers?

Ans : Since Mobile TV Service providers will be primarily providing the transmission media for dissemination of TV signals and not producing their own content, as in the case of DTH and cable service providers. FDI up to 74% should be permitted.

Q13. What should be the tenure of license for the mobile television service providers?

Ans : In our opinion, the tenure of the license should be 15-20 years extendable in steps of 5 years each.

Q14. What should be the license fee to be imposed on the mobile television service providers?

Ans : In order to make Mobile TV Service affordable to the customers, minimal license fee should be imposed. We suggest revenue share of maximum up to 5% may be levied.

Q15. Whether in view of the high capital investment and risk associated with the establishment of mobile television service, a revenue share system would be more appropriate?

Ans : Yes as mentioned above, one time entry fee and annual usage charges by way of revenue share system would be more appropriate. The revenue of the service provider will be mostly coming from the advertisements whereas the capital investment and risks involved are quite high. Therefore, the revenue share should be kept as low as possible (maximum up to 5%).

Q16. Whether any Bank Guarantee should be specified for licensing of the mobile television service providers. If yes, then what should be the amount of such bank guarantee? The basis for arriving at the amount should also be indicated.

Ans : The Performance Bank Guarantee of reasonable amount should be prescribed so as to ensure that the licensees fulfill their roll out obligations. The amount of Bank Guarantee would depend upon the size of the service area and the likely revenue potential of the service. While the amount of Performance Bank Guarantee should not be prohibitively high, it should be sufficient disincentive against

non fulfillment of the roll out and other terms and conditions of the license.

Q17. Whether the licenses for mobile television service should be given on national/regional/city basis.

Ans : We suggest that as in the case of Telecom Access Service Licenses, Mobile TV licenses should be issued on circle wide basis.

We hope you will find the above inputs useful in taking the appropriate decisions.

Thanking you,

Yours truly,
For **BPL Mobile Communications Ltd.**

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