## (By E-mail/Courier)

September 11, 2017

Advisor (B&CS) - III

Telecom Regulatory Authority of India

Mahanagar Doorsanchar Bhawan

Jawaharlal Nehru Marg,

New Delhi-110002

### Kind Attn: Prof. M. Kasim

# <u>Subject: Response to Telecom Regulatory Authority of India's (TRAI)</u> <u>Consultation Paper on Ease of Doing Business in Broadcasting Sector</u>

Dear Sir,

At the outset we appreciate the opportunity given by the authority to provide our comments on the Consultation Paper on Ease of Doing Business in the Broadcasting Sector. In this context we wish to make the following submissions with respect to few issues/provisions mentioned in the same.

We are enclosing our views/ recommendations/ submissions/suggestions in this respect for your reference and records and it may be noted that the above views/ recommendations/ submissions/ suggestions have been made by us without prejudice to our legal rights and contentions with regard to jurisdiction and other legal issues and we have reserved our right to modify our response at any time.

Thanking You,

For NEO Sports Broadcast Private Limited

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Akanksha Sharma

(Company Secretary and Assistant Manager-Legal & Regulatory Affairs)

## **RESPONSE OF NEO SPORTS BROADCAST PRIVATE LIMITED**

<u>ON</u>

## **TRAI CONSULTATION PAPER**

<u>ON</u>

"EASE OF DOING BUSINESS IN BROADCASTING SECTOR"

### **A.** Issues related to Satellite Television Channels

- 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?
- Ans1. Yes, according to us there is a highly felt need for not just simplification of the policy framework for providing a much needed fillip to the satellite TV industry but also a need for centralizing of the various approvals involved in the whole process for obtaining the requisite permissions from various Authorities.

As discussed in the Consultation Paper issued by Hon'ble TRAI and as mentioned above, we strongly agree and recommend the 'Centralization' or the introduction of a 'Single Window Clearance System' as one of the suggestions towards changes in the policy framework.

The above system would not only be helpful in channelizing the process in a time bound manner but would also reduce the innumerable communications that are presently required to be made to each Department/ Wing of various Ministries separately. Additionally, it would act as a focused system where the applicants can track the entire status of their applications all under one roof.

It is pertinent to mention that while Ministry of Information & Broadcasting is the parent Ministry for grant of permission for new channels, the whole process also involves permission from Indian Space Research Organization (ISRO), Ministry of Home Affairs (MHA) and Ministry of Corporate Affairs (MCA) including certification from Chartered Accountants for Net Worth. It is submitted that since MIB is the parent Ministry for grant of approval, the onus to ensure approval from all the concerned Ministries/Departments in time bound manner should also lie with MIB. However, it is quite unfortunate that neither there is a time frame for grant of approval nor MIB commands any control over approvals from the aforementioned Ministries/ Departments.

Accordingly, there is strong need for setting time frame and establishing a single window mechanism for grant of approval.

The above would also be helpful in saving a considerable amount of time of the applicants who presently have to be dependent on the receipt of permissions/ approvals from various Department/ Wings of the Ministries. When a time line is defined for approval from each Ministry/Department including the time line for final approval of channel, it will make the Ministries/Department more accountable and make the process more Business Friendly.

We suggest that a time line of 90 days be set for final approval of new channels and the approval /rejection, if any must come within the declared time line with appropriate reasoning.

It is reiterated that the whole process of approval would be spiritless in the absence of change in the policy framework with respect to the turn – around – time (TAT) being specified for each Department/ Wing of the Ministry to respond to the specific queries of the Applicants. This would be all the more significant in the light of the fact that time is the essence of every business as it involves massive investments and operates in a very dynamic environment.

- 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?
- Ans2. We are in agreement with the opinion of the stakeholders, as reflected in the current Consultation Paper, where it is suggested that the present policy framework relating to seeking permission for making changes in the name, logo, language, etc. related to an operational satellite TV channel, needs to be reconsidered.

As is commonly known, the satellite TV channel business involves enormous investments and operates in a very dynamic environment. In order to cater to such a fast paced environment, changes in name, logo, language, format etc. are governed by various factors including the current flow of popular content in the market which are purely business/ commercial decisions. Rebranding or revisiting the format is purely based on the marketing strategies including consumer demand and hence needs a quick decision to the effect if a Channel approaches MIB for change related to format, change of name or language. It is pertinent to mention that the MIB has laid down two categorizations of channels namely news and Accordingly, if a channel has permission in non news category there should be no restriction if it goes for a change in language, format or name/logo in the same category.

It is submitted that the request for change in format/language/name/logo must be restricted to intimation to MIB and not permission from MIB

It is further submitted that no time line has been defined or set for any permission from MIB under the policy guidelines which should immediately be brought into and must be adhered in letter and spirit to make it more accountable.

The above suggestion holds all the more relevance in the light of the fact that the Hon'ble TRAI has intended to include provisions on similar lines in the Interconnection Regulations 2017 and Tariff Order 2017, in the recent past.

Q3. Do you agree with some of the stakeholders comment at preconsultation stage that Annual Renewal process of TV channels needs simplification? Give your comments with justification?

#### AND

- 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?
- Ans3 & 4 It is pertinent to mention that MIB has taken some great steps towards simplification of Annual Renewal and has accordingly done away with the grant of permission annually. At present for Annual Renewal the Channels simply have to deposit the Renewal Fee and the same gets automatically renewed. However, it is submitted that MIB should also shelve the process of intimation separately about deposit of such fee and intimation of Annual Renewal should be generated online and intimated to the Channel instantly.

The above would further help the Applicant in addressing the issue personally with the Authorities only in rare circumstances which would in-turn save time, money and efforts.

Special attention needs to be given to the fact that the above set up be infrastructure-wise highly competitive and should, as far as possible, be free from any technical glitches.

Mechanism and framework for single window clearance system requires key factors like phased approach, user friendliness, accessibility etc for its success. In the context of the Broadcasting Sector and grant of permission for new channels a separate department comprising of chosen representatives of the requisite Wing(s)/ Department(s) of the concerned Ministry under the MIB be created with specific timelines for all approvals. All the concerned Ministries/Departments should be strictly made accountable for such approval and the missed timelines. would enable not only the stakeholders with respect to saving on time and costs in tracking the status of their applications but would also help the Ministry in consolidating a major portion of its records under one roof and better control of the approvals thereby making it more business friendly. The above, coupled with the digitization/ online setup will make all the information available at the click of a button. Moreover, MIB should also mull the provision of granting temporary License pending approval as in the case of MSO License.

It would also be appropriate to mention here that, as observed, the amount of Annual Renewal Fee is same in case of all Broadcasters. However, in the context of small Broadcasters, we would suggest that the Hon'ble TRAI should formulate a policy framework to link the Annual Renewal Fee with the overall net earnings of the Broadcaster. The same would be helpful in bringing parity between the amount paid by large and small Broadcasters, where, at present, the incidence/ burden of such payment is the same for both categories.

- 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.
- Ans5. The Sports Broadcaster which is already reeling under huge pressure of acquisition cost needs to be handled with utmost compassion. It is suggested that present process of getting temporary uplinking permission for live event should be shelved by

MIB. The acquisition of rights for sporting events is continuous and ongoing process and there are instances when some events suddenly drop in but have to be declined by Broadcaster due to laxity of time in getting the temporary uplinking license. We suggest that when MIB has the intimation that a particular channel is exclusively a platform for telecast of sporting events, the right to broadcast live event should automatically be assigned to such channels.

To conclude it is hereby prayed that in addition to the views/ observations submitted by all stakeholders, the Hon'ble TRAI should look upto to device and formulate such changes to the policy framework which not only weed out the irregularities with the current framework but also foster growth of businesses and the industry at large.