<u>TELECOM REGULATORY AUTHORITY OF INDIA</u> August 25, 2006

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TRAI PROVIDES ITS RECOMMENDATIONS ON LICENSING ISSUES RELATING TO DTH

TRAI (the Authority) today released its Recommendations on Licensing Issues relating to DTH, the Ministry of I&B had through its letter No.8/5/2006 dated 3.5.2006 and letter No.8/3/2006 dated 3.5.2006 sought the Authority's views regarding certain issues relating to the licensing provisions of the Direct to Home Service. The Authority had issued a Consultation Paper on these issues on June 5, 2006. This was followed up with a meeting with all the stakeholders who had responded to the Consultation Paper.

2. The recommendations provide for clarifications to certain provisions of the Licensing conditions. It also provides for certain guidelines to be followed in the adoption of the MDU technology which is basically perceived to be in consumer interest. These guidelines will ensure that the interests of the consumers are protected by allowing the multiple service providers to enter the same premises. Through such fair competition the interests of the cable operators and other competitors to the DTH operators would also be protected.

3. The major recommendations are as follows

Personal Video Recorders and Interoperability

• There should not be any amendment in Articles 7.1 and 7.2 of the DTH License Agreement which mandate technical interoperability among DTH service providers.

• The license conditions should be amended to provide for casting an obligation on the service provider to inform and educate the consumers

about the limited technical interoperability of the Set Top Boxes with Personal Video Recorders/Digital Video Recorders.

Uplinking and Platform Services

• The Guidelines for uplinking from India should be amended to exclude DTH platform services aimed at enabling the subscribers to utilize the platform efficiently and informing them of platform functionality and services.

Multiple Dwelling Unit Technology

• The DTH license conditions should be amended to specifically permit use of MDU technology subject to the following conditions:

a. The DTH service provider should not insist on any exclusive arrangement for installation of MDU technology to the detriment of other distributors of TV channels;

b. Signals from the MDU technology shall not be provided to a consumer outside the multi-dwelling unit building, where the MDU technology is installed;

c. The MDU technology should not carry the content from any other service provider other than the DTH service provider; and

d. The DTH operator shall obtain written consent from those subscribers living in a multiple dwelling unit who are desirous of availing the facility of MDU technology, before installing the same. A general permission obtained from office bearers of the Residents Welfare Association/Group Housing Society will not be considered sufficient.

For full details please see www.trai.gov.in