

PMSL/TRAI/2017/EoB

May 08, 2017

To

The Chairman,
Telecom Regulatory Authority of India (TRAI),
Mahanagar Doorsanchar Bhawan,
Jawahar Lal Nehru Marg (Old Minto) Road,
New Delhi-110 002

Dear Sir,

We are thankful to you for providing an opportunity to the stakeholders by seeking their feedback on the issues raised in the Consultation Paper of TRAI regarding – Ease of Doing Business in Broadcasting Sector.

On behalf of Planetcast Media Services Limited [PMSL], please find attached herewith the responses to the issues listed in Point no. 1.9 under heading **Issues for Pre – Consultation.**

Hope you will find the same in order.

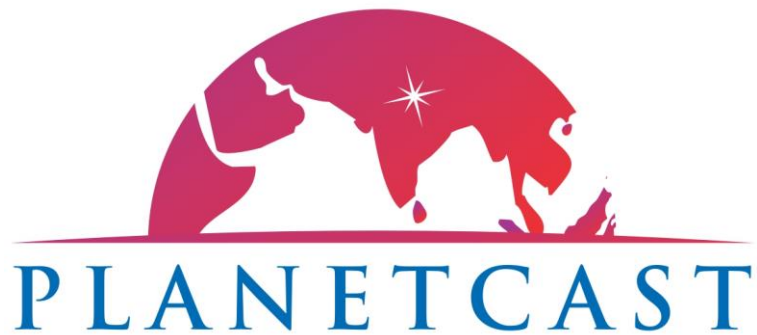
Thanking you,
For **Planetcast Media Services Limited**


(**Karunesh Chaddha**)
General Manager – PR & Mktg.



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Encl : As above

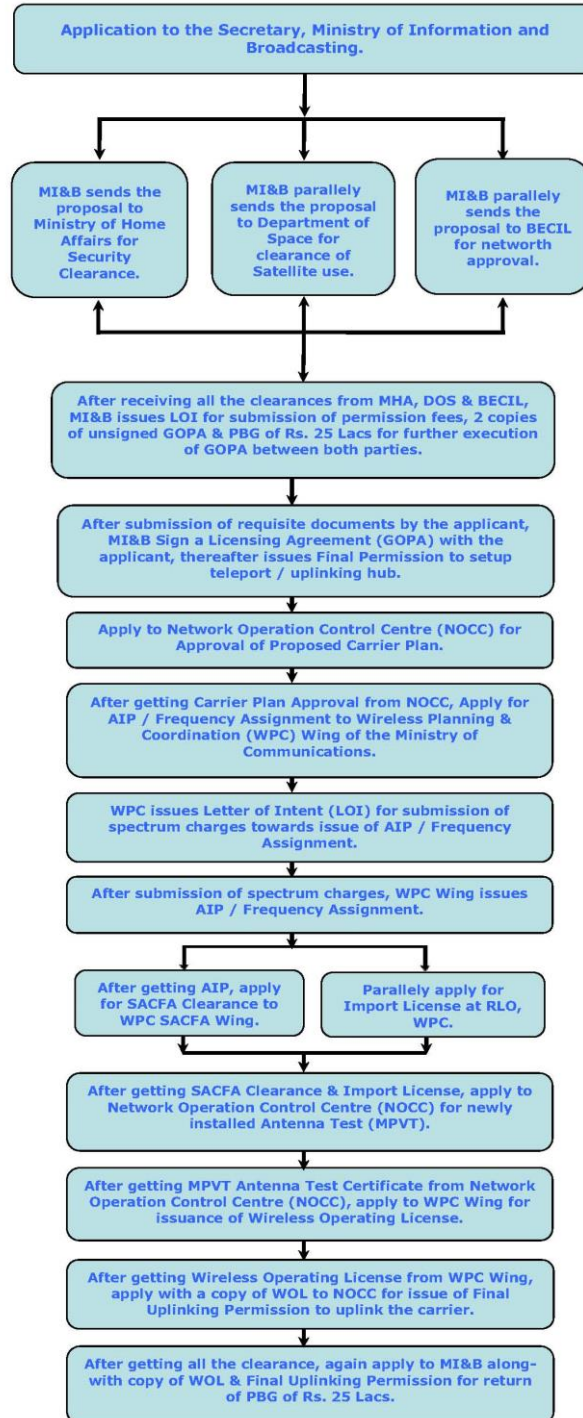


Point wise issues of Pre-consultation

Issues related to processes and procedures for obtaining permission / license / registration for the following broadcasting services and subsequent compliances connected with the following permissions:

Response to TRAI consultation paper on "Ease of Doing Business" in Broadcasting Sector

A flow-chart depicting the complete procedure currently being followed by the applicants for setting up of a "UPLINKING HUB / TELEPORT" in India is shown below:



a) **Uplinking of TV channels**

S No.	Existing Rule	Proposed Rule
	<p>As per existing guidelines the Net worth requirements for "NEWS & CURRENT AFFAIRS TV CHANNEL"- is INR 20 Crores, and "NON NEWS & CURRENT AFFAIRS TV CHANNEL"- is INR 5 Crores.</p>	<p><i>Net-worth requirement to be reviewed</i></p> <ol style="list-style-type: none"> 1) MI&B may retain the existing guidelines regarding net- worth criteria for "NEWS & CURRENT AFFAIRS TV CHANNEL" at INR 20 Crores for the company which plans for National Level News channel (Say PAN INDIA – HINDI or ENGLISH). 2) However, MI&B may/should revisit the existing guidelines and reduce the net-worth criteria for "NEWS & CURRENT AFFAIRS TV CHANNEL" below INR 20 Crores to say INR 5 Crores, for companies, which plan for regional/state wise TV channel (for example – ORIYA, KANNADA, BENGALI, TELUGU etc.) since a company which plans for News channel at regional level actually does not require that much of huge net-worth to start/run their channel(s). 3) Non-News channels net worth requirement to be reviewed. Need to be reduced to say Rs.2.50Cr. Sports & Entertainment channels to be given priority over news channels. 4) With the reduction of NET Worth, then lot of new TV channels in various regions/ NICHE areas may come into existence.

		<p>5) The net worth should be seen at the time of application / permission only.</p> <p>6) Professional competencies of the channel applicant and the type of management to be evaluated along with background and security clearance of the applicants.</p>
	<p>Today MI&B takes nearly 8 months to 10 months to grant a new license to a company for a new TV channel.</p>	<p>1) Complete process of MI&B Application should be online.</p> <p>2) Process needs to be online not just application but its approval process with a specified timeline, not more than 45-60 days.</p> <p>3) Online report to be available regarding the progress of the application in various dept. vide MHA, DOS and BECIL (CA) to have fixed time lines to respond and to provide expected date of clearances.</p>

b) **Downlinking of TV channels**

S No.	Existing Rule	Proposed Rule
	<p>PHYSICAL application process.</p>	<p>1) Complete process of MI&B Application should be online along with approval.</p> <p>2) There needs to be clear defined time lines and common window (i.e. common online portal) for the process.</p>

		<p>3) For example – MHA (Ministry of Home Affairs), DOS (Department of Space), DOR (Department of Revenue) and BECIL (CA) needs to have fixed time lines to respond and provide their clearances.</p> <p>4) Downlinking and distribution is strategic / importance and have larger social and security issues. This needs to be allowed only for teleports and with similar eligibility criteria. The downlinking company needs to operate a teleport. This will enable smooth migration of the channel Uplinking from India.</p> <p>5) The distribution proof for each channels to be shown in minimum cities, town and villages to be strictly monitored and certified by the distributors or channel owner to ensure that the channel is meant for various territories and purposes.</p>
	<p>Any Company can apply with minimum net worth requirement.</p>	<p>1) In order to ensure requisite regulation/control and adequate arrangement for automated Compliance Recording and Monitoring facilities, downlinking permission should be allowed only to the licensed teleports, who have requisite infrastructure and experience in the field of downlinking, distribution and compliance monitoring/logging of the channels.</p>

		2) This will enable MI&B to have a better management of the TV channel, which are uplinked from overseas & downlinked / distributed in India.
	Applicant companies continue to uplink from abroad and downlink in India.	<p>1) TV channels, particularly non-news, who have received the DOWNLINKING Permission in India, should provide a clear Schedule for shifting Uplinking of their TV channels in India. (Say within 3 years).</p> <p>2) This will ensure bringing in all the revenue these channels are earning under the ambit of Indian Tax as income deemed to have accrued in India.</p>

c) **Teleport Services**

S No.	Existing Rules	Proposed Rule
1.	Physical Application Process	<p>1) Complete process of MI&B Application should be online.</p> <p>2) There should be clear defined time lines and common window (i.e. common online portal) for every process.</p> <p>3) For example – MHA (Ministry of Home Affairs), DOS (Department of Space), and BECIL (CA) should be given fixed time lines to respond and provide clearances.</p>

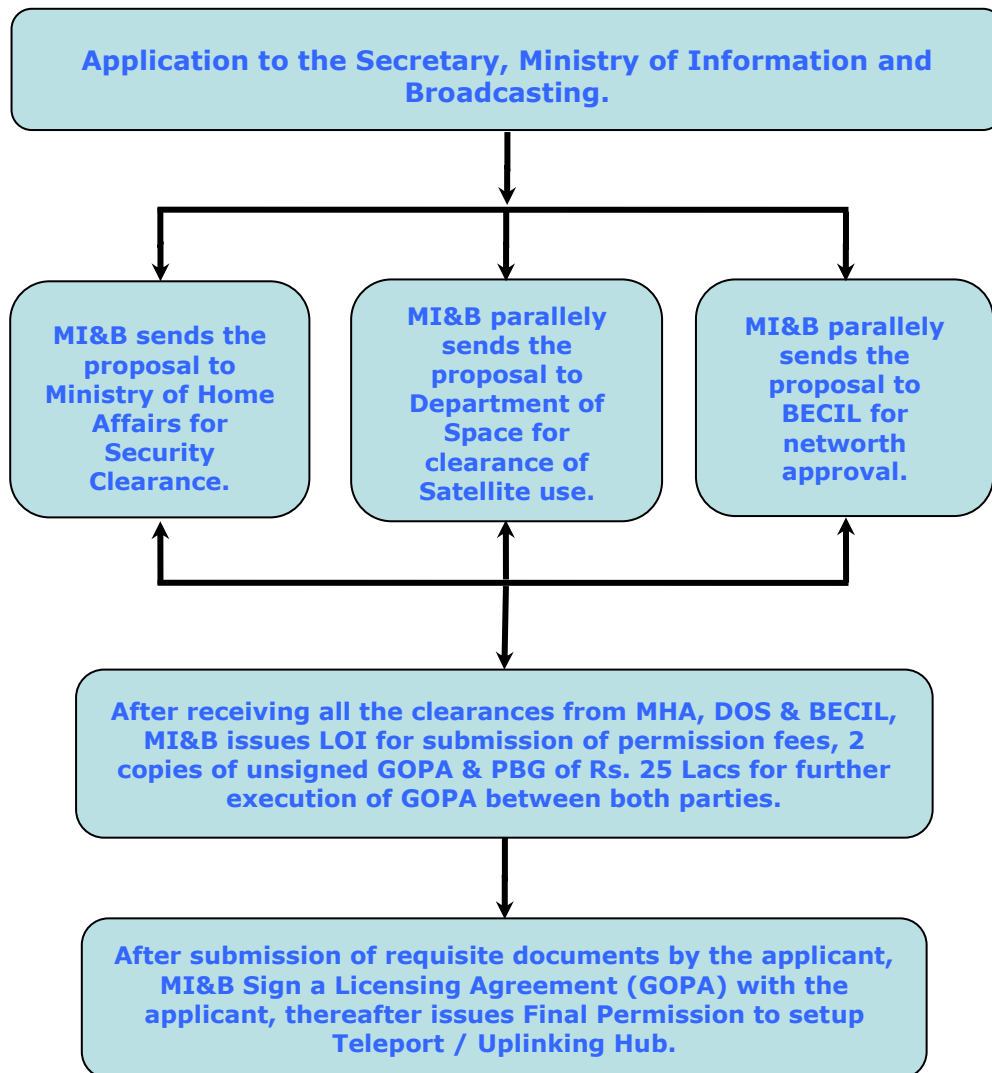
2.	Net-worth for setting up a TELEPORT is INR 3 CRORES and additional Teleport is INR 1 CRORES	<p>1) Net worth requirements should be increased to a minimum of INR 25 CRORES for the Setting up of the Teleports, as setting up of complete infrastructure of Teleport is high capital intensive. Being a professional service (b2b) it requires lot of investments to provide robust infrastructure and reliable/world class services to the Broadcasters, such as 1:1 (hot Standby Equipment's), reliable/stable power supply system, safe and carefully calibrated RF system, state-of-art auto-track antenna system, precision air-conditioning system and generator etc. besides trained & experienced manpower, looking at the criticality of the technical operations and safety of the satellites involved.</p> <p>2) Teleport permission need to be given for the premises and thereafter it should be only endorsement of additional teleport.</p>
3.	MI&B sends File to ISRO /DOS for satellite Approvals, it consumes 2-3 months' time.	1) List of Approved / Co-ordinated satellites to be made available by DOS / ISRO and these should have auto - approvals. Only the satellites not coordinated should be referred to ISRO/DOS for their comments /approval.

3.	<p>MI&B send File to MHA for security Approvals of company / directors. It delays the complete process.</p>	<p>1) MHA approval should have specific time lines, like in all other countries. This needs to be correlated with passport and several other online records. The process time needs to be completed in one or maximum two days in the era of Digital India.</p> <p>2) It May be Aadhar based.</p>
4.	<p>Annual Renewal of Licenses in MI&B & WPC.</p>	<p>1) Renewal should be online and renewal slips should be issued automatically online via web portal, etc. with acknowledged receipt of payment of fees.</p>
5.	<p>Even for an Approved Teleport, additional Licenses (Complete process) are required for using additional satellites.</p>	<p>1) Additional application by existing license holders / company (with same board & shareholding) should be simplified, say by self-declarations etc.</p> <p>2) For using additional satellites at the same Teleport Location, only endorsement from MI&B, WPC & NOCC should be sufficient in short time lines.</p>
6.	<p>Utilization and approval of satellite BW takes excessive time.</p>	<p>1) Satellite BW should be pre-approved, when leased out to the users. i.e. when DOS allocates any satellite BW to the users, the said BW should be pre-approved by the various agencies such as NOCC, WPC etc. so that the user can use the BW immediately after the allocation.</p>

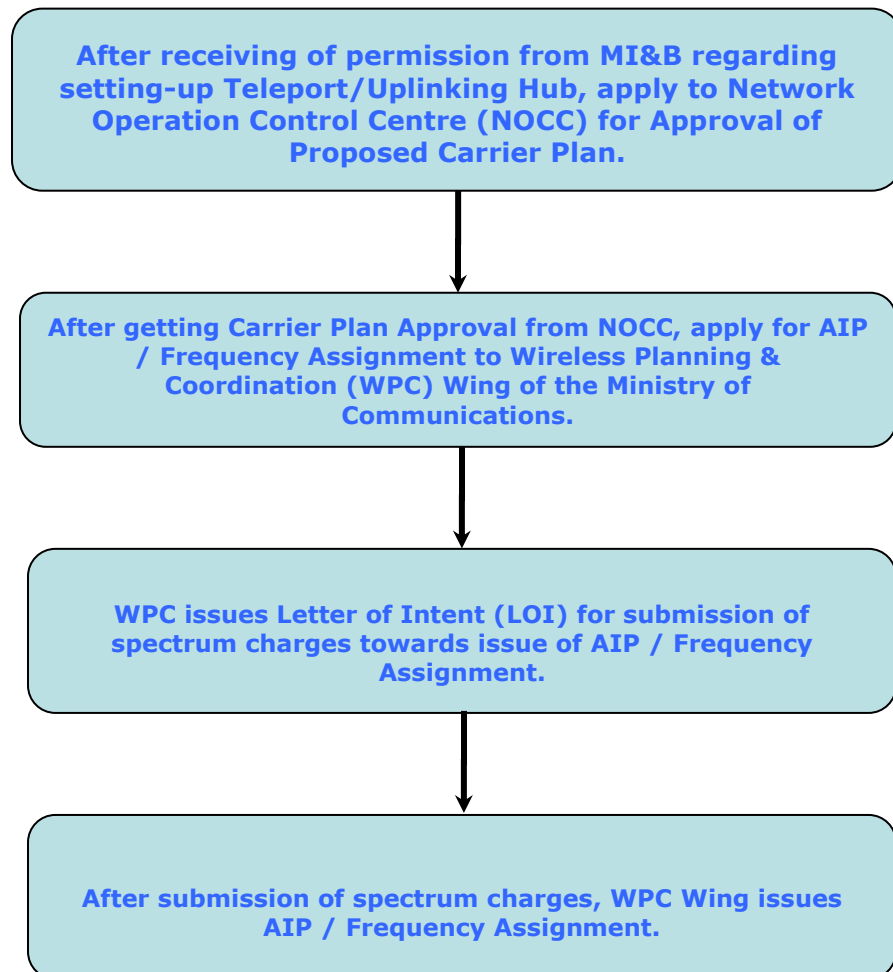
		<p>2) If it is not possible then DOS should Charge the users / applicants from the day of actual use of the BW after taking all the requisite approvals.</p> <p>3) This should be applicable for the foreign satellites also. For satellite bandwidth trading, tax rules needs to be rationalized (withholding tax etc).</p>
7.	<p>Administrative Assignment of frequencies by WPC Wing is not regular (6 months Window system is existing), after 2G verdict of Hon'ble Supreme Court.</p>	<p>1) WPC Wing for assignment of frequency should remain open throughout the year and should have online approval. In many countries, this approval takes 15 minutes to maximum of 7 days.</p> <p>2) Further, Operators are presently required to provide open ended undertakings to retrospectively pay any changes in WPC fees as well as to return the bandwidth as and when DOT/WPC feels it necessary. This matter should be concluded and no such uncapped liabilities should be created for Service Providers.</p> <p>3) It will help companies to have a proper plans and optimal utilization of satellite resource.</p>
8.	<p>Applicant has to approach several departments / sections /ministries (such as DOS, MI&B, WPC & NOCC) in the process of approvals.</p>	<p>1) Online application and approval process should be there.</p> <p>2) The online system should have single window for the teleport operators. The various Ministries & agencies such as DOS, MI&B, WPC Wing & NOCC needs to have a precise time line for auto approvals.</p>

9.	Annual Forex Remittance Process	1) Forex Remittance permission should be given once for the complete duration of the bandwidth contract and based on the usage. This will not be required in case DoS pricing and payment in rupees is enabled for the satellite operators.
10.	Endorsement / De-endorsement of TV Channels in approved carriers are cumbersome and difficult.	<p>1) The endorsement / de-endorsement process needs to be simplified and should be the responsibility of Teleports (Bandwidth Lessors). There needs to be an online, time bound process. Once the teleport operator owns the bandwidth, the utilization needs to be only intimated monthly.</p> <p>2) There is no provision of endorsements / de endorsements of the TV channels in the WPC operating License for the HITS & DTH service. This needs to be implemented for Teleport Operators.</p> <p>3) WPC Wing processing time needs to be commensurate with the international standards.</p>
11.	General	1) In the event of literally no local manufacturing of related high-tech equipment, the custom duty on the teleport and related equipment needs to be waived off. The import license requirement for teleport owners to be abolished, should be limited to reporting only.

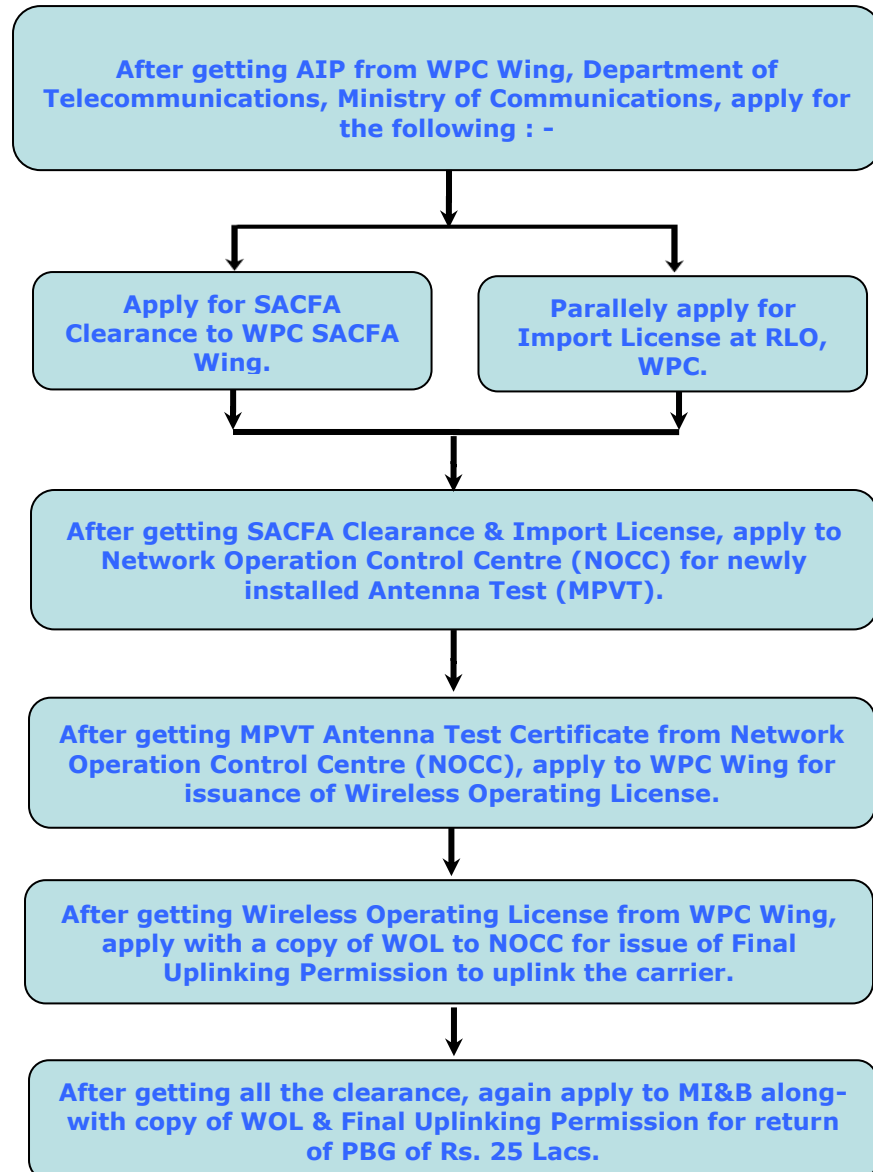
STEP – 1
Existing Time lines : 8 – 10 Months
Proposed Time lines : 45 – 60 days



STEP – 2
Existing Time lines : 3 – 4 Months
Proposed Time lines : 15 – 20 days



STEP – 3
Existing Time lines : 3 – 4 Months
Proposed Time lines : 15 – 20 days



d) **Direct-to-home services**

NOT APPLICABLE

e) **Private FM services**

NOT APPLICABLE

f) **Headend-in-the sky services**

NOT APPLICABLE

g) **Local Cable Operators**

NOT APPLICABLE

h) **Multi System Operators**

NOT APPLICABLE

i) **Community Radio Stations**

NOT APPLICABLE

j) **Any other related issue**

DSNG & Occasional Uplinking (OU)

S No.	Existing Rule	Proposed Rule
1.	Physical application process	1) Application process should be online.
2.	Working days are limited whereas event dates / durations are fixed. It is very difficult to obtain timely permissions for temporary events by coordinating three different departments i.e. MI&B, WPC Wing & NOCC.	1) Single Window Clearance mechanism should be in place for issuance of permissions i.e. MI&B, WPC & NOCC permission. 2) There needs to be a blanket permission given for all sports events throughout the year. The WPC and NOCC fee to be charged on a daily basis, reconciled annually. 3) Currently, regulatory permission processing time (i.e. MIB approval, WPC Licence & NOCC approvals) is quite high and to be brought to 2 – 3 days process, as per International standards.
3.	If last minute event changes happen (i.e. change in venue, date, duration, rights holders, frequency etc.) it becomes a very tedious and stressful for the applicants, since it requires coordination with three different govt. departments within short span of time i.e. MI&B, WPC Wing & NOCC.	4) Countries like UK, Dubai & Singapore generally issues regulatory approvals for temporary / sports & diplomatic events within time frame of 15 Minutes to 2 Hours. And this all done online.

<p>4.</p>	<p>WPC Fees related to satellite bandwidth / frequency, is charged on monthly basis which makes it very costly.</p> <p>Change of frequency during the event makes it still more expensive.</p>	<ol style="list-style-type: none"> 1) WPC Fees should be event based / or and charged on per day basis as per the usage. 2) Also, regulatory temporary license fee should be for per transmission basis and not based on per frequency basis. On multi day events, it is not always possible to get single frequency slot and we need to use other frequency slot during the duration of event. Currently, the fee is charged based on spot frequencies used for single transmission. In this case license fee gets multiplied by that times and affects the budgeting of the broadcaster. 3) This is only in INDIA and in other countries like Sri Lanka, Bangladesh, UAE, UK, Singapore etc. license fee is per transmission / or per day basis only. 4) This would assist us to get more business with actual regulatory fee exposure.
<p>5.</p>	<p>Presently there are lot of technical limitations on OU Earth station (DSNG /Flyaway) configurations (One way transmission only, no MCPC carriers, etc.)</p>	<ol style="list-style-type: none"> 1) Given the proliferation in digital consumption of content, especially Sports, viewers are now interested in also watching several simultaneous auxiliary feeds from the sports venue (fun feed, multi-camera feeds, etc.) which necessitates sending multiple carriers, which can be multiplexed to better utilize the OU Earth station (DSNG / Flyaway) as well as the satellite capacity. Thus MCPC carrier, and two way transmissions should be allowed.

2. Allocation of broadcasting spectrum

Clearance from Department of Space

S No.	Existing Rule	Proposed Rule
1.	Currently the request for INSAT / GSAT satellites capacity reservation is in physical mode (i.e. submission of physical documents with the lot of annexures).	1) There should be online filing of application for INSAT capacity reservation / allocation for these services i.e. TELEPORT/TV Uplinking, SNG/DSNG & VSAT.
2.	In terms of existing policy of DOS, companies have to pay INSAT Capacity Reservation Deposit (ICRD) @ INR 50,000/- per MHz which will be further adjusted in the billing.	1) There should be no charge from the Companies towards ICRD, however, there can be penalty for not utilizing any reserved bandwidth except in case of technology obsolesce or company exiting out of business.
3.	In terms of existing guidelines of INSAT/GSAT Capacity Reservation, user is bound to register a minimum capacity of 36 MHz or multiples thereof.	1) User should be bound to take a minimum capacity of 36 MHz except in case of DSNG. For DSNG application only, users to buy smaller slots of satellite bandwidth, as per their requirements. As for DSNG, users generally require smaller capacities such as 2 MHz / 4 MHz / 6 MHz / or 9 MHz which can be online traded by DoS or DoS may have partners to do the same.

		2) Satellite, being an expensive and scarce resource, should not be wasted by unwanted allocation but only given as much as required. Further, need based allocation will ensure better / optimal utilization of satellite resource.
	DOS / ISRO insists for 6 Months security Deposit (3 Months Cash Deposit & 3 Months Bank Guarantee) besides advance billing/ payment for a typical satellite contract.	1) There should be no Deposit from the users, or if at all Deposit is mandatory / essential for the satellite contract then it should be in the form of Bank Guarantee only. [maximum monthly deposits]

WPC clearance for Broadcasting Services

S No.	Existing Rule	Proposed Rule
1.	As per current rule, there is a minimum requirement of 8 mbps data rate for uplinking of a HD TV channel.	1) The use of bandwidth for SD / HD, 4K etc. should be deregulated and the onus to be given to the teleport operator and the broadcaster.
2.	In the current scenario WPC Wing takes around 180-240 days for processing of any new application pertaining to setting up of new Teleport / additional carrier / new satellite / New DSNG network etc.	1) WPC approval / endorsement to be online and need not take more than few hours / days. This need for complete simplification of process. 2) WPC wing should issue all the approvals online such as LOI, Frequency Assignment / AIP, Import License, Final Operating License along with all the necessary NOCC approvals and within a shorter time span such as 15 – 20 days.

		<p>3) Today mobile phone and other GSM-CDMA based VIDEO transfer devices has more or equivalent capabilities (than satellite broadcasting or communication) and similar RF usage is free from any WPC license or regulation. There should be similar level playing field for various technologies and applications.</p>
	<p>In the current scenario WPC Wing takes around 30-40 days for processing of normal application pertaining to TV channel endorsement, satellite change, frequency change of channel, name change of channel etc.</p>	<p>1) Endorsement / De-endorsements of TV channels should be the responsibility of Teleport operator and need to be informed through an alternative updation of utilization data by the teleport operator online.</p> <p style="text-align: center;">OR</p> <p>2) WPC Wing should process such cases within stipulated timelines, i.e. maximum one working day.</p>
	<p>Administrative Assignment of frequencies by WPC Wing is not regular (6 months Window system is existing), after 2G verdict of Hon'ble Supreme Court.</p>	<p>1) Needs to be online and no blackout periods.</p>

SACFA Clearance Process

S No.	Existing Rule	Proposed Rule
1.	Online application along-with the physical documents with processing fees of Rs.1,000/- per site for SACFA Siting Clearance.	1) Submission of physical documents should be abolished and SACFA Clearance Certificate should be generated online.
2.	Existing time line to grant SACFA Clearance Certificate is nearly 30 -40 days.	1) This time line should be reduced to maximum of 1 (one) or 2 (two) days.

Clearance from Network Operations Control Center (NOCC)

S No.	Existing Rule	Proposed Rule
1.	As per current rule, there is a minimum requirement of 8 mbps data rate for uplinking of a HD TV channel.	1) NOCC / WPC permission application needs to be one online process and should not take more than few hours. 2) NOCC, Ministry of Communications should allow users to uplink HD TV channel with more flexible data rate (say 6 mbps or less) to have optimal utilization of satellite resource and provision for improved compression technologies.
	Companies have to undertake MPVT – NOCC Test every time, they change DSNG	1) DSNG vans testing is not desirable as the antenna type approval should be given by NOCC to specific vendors in order to maintain quality of

	vans due to wear & tear of vehicle.	transmission. 2) The current mechanism need to be reviewed and testing of each vehicle needs to stopped forthwith.
	Companies need to VISIT NOCC twice, once for taking carrier plan approvals & second time for taking final uplinking permission.	1) The NOCC tests/visit etc. needs to be avoided in order to have timely availability of the much needed infrastructure. It should be in line with International standards which generally take 15 minutes to may be few hours. 2) Online application and approval system / single window clearance needs to be in place.

e) Any other related issue

3. Other issues

a) Disaster Recovery Site for DTH Operator

Each DTH operator needs to have a local teleport operator as their DR. This needs to be mandatory considering the large customer base of the DTH. The DR will also to provide "Spatial Diversity" in case of rain fades to improve quality of service for the DTH operators. DR can be a common shared infrastructure in order to reduce unwanted duplication of additional infrastructure.

b) Transmission of radio services over DTH platform

NOT APPLICABLE

Right of WY for cable operators

NOT APPLICABLE.

c) Broadcasting through cable TV

Teleport operator needs to be allowed for alternative broadcasting.

e) Open sky policy for KU Band

S No.	Existing Rule	Proposed Rule
1.	<p>Right now, there is no open sky policy for using KU Band satellites in India. The applicants have to take / lease / hire KU Band satellite capacities on INSAT and other foreign satellites through ISRO / DOS only.</p> <p>On Foreign satellites DOS / ANTRIX not only takes time for approval but also charges Management Fees (Commission) over & above BW prices.</p>	<ol style="list-style-type: none"> 1) There should be an open sky policy for all the satellite requirements in India, However, Department of space, should work with MI&B and other related ministries & Department and should provide a CEILING PRICE for the satellite bandwidth in India, which should be equivalent to the INSAT prices and to paid in INR only. 2) No operator should be allowed to sell bandwidth higher than ISRO / INSAT prices. The foreign operators to be allowed to sell bandwidth in Indian Rupees only. In case the international treaty does not allow this, then foreign exchange to be earmarked at the same rate for teleport operators during the period of contract. 3) There should be uniform policy for all satellite frequency bands such as C, Ext., Ku & Ka Band. 4) This will help Indian companies to use / lease satellite capacities at the ISRO price and it will also save valuable FOREX for the country, wherein foreign satellites occupy favorable slot over our country and charging very high prices.

f) **Rationalization of FDI policy in broadcasting sector**

S No.	Existing Rule	Proposed Rule
1.	As per existing FDI policy there is a rule for (upto) 100 % FDI in Broadcasting Sector, but automatic approval is only till (FDI) upto 49 % only. Beyond 49% the companies have to take FIPB approval. i.e. Government approval route.	1) FDI process of approval to be streamlined to attract more and more of foreign investments.

g) **Developing India as a Teleport Hub :**

It has been aim of TRAI to try to make India Teleport Industry, the commercial hub for the, "Global Turnaround" of the channels from East to West as India being geographically located in such a favorable zone. India should be promoting Indian Teleport Industry and give infrastructure status to the same.

S No.	Existing Rule	Proposed Rule
1.	Exporting Teleport Services not possible from India	1) Export of Teleport Services should be allowed wherein a foreign customer can directly utilize services from a licensed Teleport without establishing any local agency or company.
2.	Broadcaster who wants to use uplinking services from India required to have a local entity and MI&B Permission.	1) To facilitate these channels the guidelines need to be suitably amended. (No foreign company would like to make a local entity just to avail the uplinking and Turnaround services from India).

3.	Process for Turnaround of occasional content for ROW (Rest of World) is not clear.	<p>1) Signal Turnaround services should be allowed though a simple process of online application / approval. Turnaround signal should not be used for downlinking in India. Since these jobs are time critical, hence an online permission is needed within no time.</p> <p>2) It is almost infeasible to take the DSNG equipments / flyaway terminals frequently in and out of country, to provide OU services in other countries. There needs to be a passport system for such equipment so that the events in abroad can be easily covered. Each Flyaway to have a passport to be endorsed at the airport when embarking or disembarking from India.</p>
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h) Skilled manpower in broadcasting sector

S No.	Existing Rule	Proposed Rule
1.	Nil	<p>1) IITs & Universities needs to closely work with the R&D departments of the operators.</p> <p>2) Vocational Training institutes and Diploma Colleges should introduce a suitable course to train more people (semi-skilled) in broadcast operations. This will help fill a gap in the present skill sets and save commercial organizations a lot of training time.</p>

		<p>3) This needs to be incentivized as in other countries. Any spending on training and R&D needs to be directly adjusted in the taxes payable.</p> <p>4) The Capex expenditure on R&D and new technologies needs to be adjusted in taxes or benefits in tax over certain periods as prevalent/applicable in other countries such as Singapore.</p>
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Indigenous manufacturing of broadcasting equipment's

S No.	Existing Rule	Proposed Rule
1.	Nil	<p>1) It is a matter of great concern that during the whole process of digitalization, a very insignificant part of "India product" is used</p> <p>The broadcast sector needs</p> <ul style="list-style-type: none"> - TV panels / sets - Set-top boxes - Transmission and distribution equipment's. <p>2) Unless there is significant motivational incentive is not enforced by MI&B, the manufacturing of these high technology equipments / products for media and entertainment industry will be always lagging behind. This will have larger impact on the business of media and entertainment and thus overall happiness level of the country.</p>

		<p>3) For manufacturing and services infrastructure some of the basic needs like land, building capex etc. needs to be provided at promotional charges including tax holiday/the bank debts etc.</p> <p>4) Need to target 10% India's TV & Set top boxes to say 100% in next five years with complete indigenized production.</p>
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