

## Draft Policy Guidelines for Satellite Radio Service along with proposed/ suggested changes

(Proposed/ suggested additions in the clauses of draft Satellite Radio policy have been underlined and indicated in **Red** and proposed/ suggested deletions have been scored out and indicated in **Blue**.)

Draft Policy Guidelines for Satellite Radio Service	Proposed Suggestions/ Changes
<b>INTRODUCTION:</b>	
<p>Satellite Radio Service refers to distribution of single or multi channel radio programmes in L or S Band by using a satellite system which provides encrypted radio signals direct to subscribers' receiver sets. The subscribers are able to receive the channels/ programmes of satellite radio service via fixed, portable or vehicular receive only radiosets equipped with small satellite antennas. For this, the Satellite Radio Service Provider may set up its own satellite radio network either by owning or leasing the teleport and the satellite transponders as well as the subscriber management system with marketing/distribution arrangement for the subscribers' receiver sets. The Satellite Radio service provider may use the network to provide its own registered radio channels <u>after following due process for license/ registration as prescribed</u> and may also provide its satellite radio network to other broadcasters to broadcast their registered radio channels to its subscribers.</p> <p>Ministry of Information &amp; Broadcasting, Government of India has formulated these policy guidelines</p> <ol style="list-style-type: none"> <li>(i) for issuing <del>permissions</del><u>licenses</u> to Companies to provide satellite radio service in India and setting up of network and infrastructure relating thereto,</li> <li>(ii) for issuing <del>permissions</del><u>licenses</u> to Companies ,             <ol style="list-style-type: none"> <li>a. to create their own Non-News and Current Affairs radio channels and get such channels registered for broadcast on satellite radio service network</li> <li>b. to provide Non-News and Current Affairs radio channels owned by others and get such channels registered for broadcast on satellite radio service network</li> </ol> </li> <li>(iii) for providing a mechanism for registration of radio channels which companies may be permitted to own and/or provide as per (ii) above.</li> </ol> <p>These Guidelines lay down the eligibility and other requirements for seeking such <del>permission</del><u>license/or</u> registration and terms and conditions to be observed during the currency of such <del>permission</del><u>license/ registration</u>.</p> <p>Consequently no person /entity shall provide the satellite radio service which has not been <del>permitted</del><u>licensed</u> by the Ministry of Information &amp; Broadcasting under these guidelines or a satellite radio channel which has not been</p>	<p>The change to use 'license' instead of 'permission' is suggested to be in line with other licenses issued by the Ministry of Information and broadcasting for other services. The additions have been suggested to bring more clarity.</p>

<p>registered with the Central Government. Henceforth all persons /entities providing, or desirous of providing a Satellite Radio Service in India that may be uplinked from within the country or from other countries for public listening shall be required to obtain <u>permission-license</u> or registration as the case may be, from the Ministry of Information &amp; Broadcasting in accordance with the procedure outlined and terms and conditions prescribed under these guidelines.</p>	
<p><b>PART-I</b></p>	
<p><b>SATELLITE RADIO SERVICE NETWORK PROVIDER</b></p>	
<p><b>1. ELIGIBILITY CRITERIA:</b></p>	
<p><b>1.1 Eligibility Criteria for Satellite Radio Service Provider :</b></p>	
<p>1.1.1 The applicant seeking <u>permission-license</u> to set up a satellite radio service to uplink from India, or downlink from outside India, one or more registered satellite radio channels for broadcasting to subscribers in India must be a company incorporated in India and registered under the Companies Act 1956 <u>with its principal place of business in India.</u></p>	<p>The change to use 'license' instead of 'permission' is suggested to be in line with other licenses issued by the Ministry of Information and broadcasting for other services.</p>
<p><del>1.1.2 The applicant company must have a commercial presence in India with its principal place of business in India.</del></p>	<p>The clause is proposed to be deleted in view of addition suggested in clause 1.1.1. However if Ministry feel it necessary to retain the term 'commercial presence', then 'commercial presence' may be defined.</p>
<p><del>1.1.3</del> <u>1.1.2</u> The following types of companies shall not be eligible to apply:</p> <p>(a) A company controlled by or associated with a religious body;</p> <p>(b) A company controlled by or associated with a political body;</p> <p>Note 1: For the purpose of sub clause (a) above a religious body shall be:</p> <p>i. A body whose objectives are wholly or mainly of a religious nature;</p> <p>ii. A body, which is controlled by a religious body or an associate of religious body</p>	<p>Renumbered in view of proposed deletion of previous clause.</p>

<p>Note 2:For the purpose of sub clause (b) above a political body shall be:</p> <p>i. A body whose objects are wholly or mainly of a political nature;</p> <p>ii. A body affiliated to a political body;</p> <p>iii A body <del>corporate</del>, which is an associate of a body <del>corporate</del> controlled, held by, operating in association or controlling a body of political nature as referred above.</p>	
<p><del>1.1.4</del> The applicant company must either own or lease the satellite radio network through which it proposes to broadcast the registered radio channels for public listening in India.</p>	<p>Such a condition may not be desired as a pre-condition at the application stage.</p>
<p><del>1.1.5</del><u>1.1.3</u> The applicant Company must enjoy <del>exclusive</del> marketing /distribution rights for the service, inclusive of the rights to the subscription revenues.</p>	<p>The word “exclusive” may not be insisted upon.</p>
<p><del>1.1.6</del> <del>1.1.4</del> The applicant Company will not be eligible for seeking <del>permission</del> <u>license</u> during the period of disqualification as provided in paras 10.1,10.5, 13.2.1 and 13.3.1</p>	<p>Renumbered.</p>
<p><del>1.1.7</del> <u>1.1.5</u> The total direct and indirect foreign investment including portfolio and foreign direct investments into the company shall not exceed 74% at the time of application and during the currency of <del>permission</del> <u>license</u>. The methodology of calculation of the direct and indirect foreign investments would be as per the extant policy of the Government. The company will be required to disclose the status of such foreign holding and certify that the foreign investment is within the ceiling of 74% on an yearly basis. Approval of Foreign Investment Promotion Board (FIPB) shall be required for any existing or proposed foreign investment in the company.</p>	<p>Renumbered.</p>
<p><del>1.1.8</del> <u>1.1.6</u> The company shall make full disclosure, at the time of application, of Shareholders Agreements, Loan Agreements and such other Agreements that are finalized or are proposed to be entered into. Any subsequent changes in these would be disclosed to the Ministry of Information and Broadcasting, within 15 days of any changes, having a bearing on the foregoing Agreements.</p>	<p>Renumbered</p>
<p><del>1.1.9</del> <u>1.1.7</u> Notwithstanding any thing contained in these guidelines, a Satellite Radio Service Provider who has already been providing such a service in India on or before the notification of these guidelines, shall be <del>eligible</del> <u>granted a provisional license</u> to continue to provide such service and provide such channels as he was providing on the date of issuance of these guidelines for a maximum period of <del>two</del> <u>four</u> years subject to the condition that such a service provider shall submit his plan to ensure compliance of the various provisions of these Guidelines to the Government, <u>under intimation to TRAI</u>, within a period of two months from the date of issuance of these Guidelines and shall come into compliance within <del>two</del> <u>four</u> years of the date of issuance of these Guidelines, failing which the <del>deemed permission</del> <u>provisional license</u> shall lapse. <u>The provisional license of the existing Satellite radio service provider shall be converted into a regular license on compliance with the terms &amp; conditions within the stipulated period.</u></p>	<p>The changes have been proposed to provide sufficient time to the existing service provider for smooth transition to the new guidelines and to obtain license</p>
<p><del>1.1.10</del> <u>1.1.8</u> The Company should have a minimum Net Worth <u>for all times during the currency of the license</u> as</p>	<p>The additions suggested are for</p>

prescribed below:

Item	Required Net Worth
For Teleport for single channel capacity	Rs.1.00 Crores
For Teleport with channel capacity from 2 to 6	Rs.1.50 Crores
For Teleport with channel capacity from 7 to 10	Rs.2.50 Crores
For Teleport with channel capacity of 11 or more.	Rs.3.00 Crores
If the service provider owns or proposes to own the satellite as well, additional networth required	Rs. <del>4.0</del> <u>5</u> Crores per satellite

ensuring the eligibility of the service provider during the currency of the license and for minimizing disputes and litigation.

The decision of the Government regarding definition of the Net Worth, its calculation and its monitoring shall be final.

~~1.1.9~~1.1.9 The majority of Directors on the Board of the Company shall be Indian Citizens. The Company, Directors, Managing Director , Chief executive Officer(CEO), and Chief Financial Officer (CFO) will be required to be security cleared from the Ministry of Home Affairs. The company shall give without fail intimation to Ministry of I & B regarding change in the directorship, key executives or foreign direct investment in the company, within 15 days of such a change taking place.

**2. PERIOD OF ~~PERMISSION~~LICENSE FOR SATELLITE RADIO SERVICE:**

2.1 ~~Permission~~License for providing the Satellite Radio Service will be valid for a period of Ten years from the date of issue of wireless operational license (WOL) by the Wireless Planning and Coordination Wing of the Ministry of Communications and Information Technology, subject to the condition that the WOL is obtained by the applicant company within one year from the date of issue of the ~~permission~~license. In the event of refusal of WOL or failure of the applicant company to obtain the WOL within the prescribed period, the ~~permission~~license shall automatically lapse unless otherwise extended by the competent authority for reasons to be recorded in writing. Once the licensee has satisfactorily provided the service for ten years, then he will be eligible for one automatic renewal of license for a further period of ten years subject to fulfillment of the terms and conditions of the guidelines as amended from time to time.

Automatic extension for 10 years is desirable to ensure continuity of the service. The clause may be suitably amended.

~~2.2. The permission shall automatically lapse at the end of the period mentioned in para 2.1 above and the company shall have no rights whatsoever to continue to operate the service after the date of expiry.~~

The license may be further renewed as per the decision of the Government.

2.3 The <del>permission</del> -license may be terminated earlier as provided in paras 10 and 13.	
2.4 The period of <del>permission</del> -license for the existing Satellite radio service provider will be 10 years from date of issuance of these Guidelines subject to <u>all</u> the provisions of <u>this policy including</u> para 1.1.8.	The addition is being suggested to bring more clarity to the clause.
<b>3. <u>ENTRY FEE AND ANNUAL LICENSE PERMISSION AND REGISTRATION FEES FOR SATELLITE RADIO SERVICE</u></b>	The changes suggested are in view of maintaining consistency in terms used in various licenses.
3.1 The applicant company shall pay a Non-Refundable Entry Fee of Rs. <del>2.55</del> Crores before the issue of letter of intent to it. In addition, each company shall pay an annual <del>permission</del> -license fee equal to 4% of its Gross Revenue as defined in para 3.5 throughout the period of its <del>permission</del> license.	The changes suggested are in view of maintaining consistency in terms used in various licenses and level playing field among various licenses.
3.2 The payment of Annual <del>permission</del> -license fee for the <u>first</u> financial year (FY) shall be made on the basis of provisional accounts for the FY certified by the Statutory Auditors, within one month of the end of that FY. <u>From the second year onwards, the licensee shall pay advance annual fee at the rate of 4% of the Gross Revenue of the previous year in four equal quarterly instalments within the first fortnight of each quarter, and the balance due of the final annual fee by 30<sup>th</sup> September each year after the financial year has ended based on the audited annual accounts.</u>	The addition has been proposed to maintain level playing field with FM Radio service providers.
3.3 Annual <del>permission</del> -license fee for the FY shall be finally determined on the basis of final annual accounts of the FY audited by the Statutory Auditors, which shall not be later than 30th September of the following FY. If the amount so determined is found to be higher than the amount already deposited as per para 3.2, the difference amount along with simple interest @ 1% per month on the difference for the period of delay calculated from 1st of May of the following FY upto and including the date of such payment shall be paid in one lump sum within a period of 15 days from the date of finalization of audited accounts, or 15th October of the following FY whichever is earlier.	
3.4 Where the total annual fee deposited as per para 3.2 is more than the amount determined on the basis of audited accounts of the FY, the difference may at the request of the licensee be adjustable against the annual licence fee due for the following FY.	
3.5 Gross Revenue for this purpose would be the gross inflow of cash, receivables or other consideration arising in the course of ordinary activities of the Satellite Radio enterprise from rendering of services and from the use by others of the enterprise resources yielding rent, interest, dividend, royalties, commissions <del>ete.</del> Gross revenue shall, therefore, be calculated, without deduction of taxes and agency commission, on the basis of billing rates, net of discounts In the case of <del>permission</del> -licenseeholder providing or receiving goods and service from other companies that are owned or controlled by the owners of the <del>permission</del> -licenseholder, all such transactions shall be valued at normal commercial rates and included in the profit and loss accounts of the <del>permission</del> -licenseeholder to calculate its gross revenue.	The deletion has been suggested to avoid ambiguity and mis-interpretation. The Ministry may spell out other items clearly, if so desired.

<p>3.6 Every <del>permission-licensees</del>holder shall maintain separate financial accounts for the service, which shall be audited by the Statutory Auditors. At the end of each financial year, the company shall provide the statement of gross revenue forming part of the final accounts of the <del>permission-licenseee</del>holder as per the format in Form A (Annexure), duly certified by the Statutory Auditors. The income heads specified in Form A are only indicative and illustrative and the Auditor would include all the relevant heads qualifying for gross revenue whether or not specifically included in the said format. In addition, the income from the Related Parties shall have to tally with the Related Parties schedule as per Accounting Standards no. 18. Besides, the company shall disclose the following information at the end of each financial year, duly certified by the Statutory Auditor.</p> <p>Total trade and other discounts.</p> <p>Total agency commission.</p> <p>Total Related party transaction.</p>	
<p>3.7 So as to verify that the Gross Revenue is correctly disclosed to it, the Government of India shall have the right to get the accounts of any <del>permission-holder</del>licensee audited by CAG or any other professional auditors if so required. In case of difference between the Gross Revenue determined by the Statutory Auditors and the Government appointed auditors, the views of the government appointed auditor, subject to opportunity of hearing to the <del>permission-holder</del>licensee shall prevail and the expenses <u>as determined by the Government</u> on such audit shall be borne by the <del>permission-holder</del>licensee.</p>	<p>This addition has been suggested to clarify the issue relating to determination of fee payable to the auditors.</p>
<p>3.8 In case any amount is to be deposited by the licensee as per provisions of para 3.7 it shall be deposited within 15 days of such determination along with simple interest at the rate of 1% per month for the period from 1st May following the FY for which such determination has been made, upto and including the date of payment.</p>	
<p>3.9 Agency commissions for collection of subscription shall not be more than 15% of the subscription.</p>	
<p>3.10 The existing operator will ensure payment of Non-Refundable entry Fee within a period of two months from the date of issuance of these guidelines and will be required to pay the annual <del>permission</del>-license fee as provided herein.</p>	<p>The changes suggested are in view of maintaining consistency in terms used in various licenses.</p>
<p>3.11 The company shall submit audited annual accounts of its commercial operations in India <u>to the Ministry of Information &amp; Broadcasting by 30th September of the Financial Year.</u></p>	
<p><b>4. BANK GUARANTEE</b></p>	
<p>4.1 The applicant company shall, before the signing <u>the license agreement</u>of <u>GOPA</u>, submit to the Ministry of I &amp; B, a Bank Guarantee from any Scheduled Bank in the format notified, for an amount of Rs.10 crores valid for the duration of the <del>permission</del>license. <u>Amount of bank guarantee shall be increased so as to be equal to the annual license fee paid by the licensee for the previous year if such annual license fee exceeded the bank guarantee already furnished by the licensee.</u></p>	<p>The changes suggested are in view of maintaining consistency in terms used in various licenses. The change in amount of bank</p>

	guarantee is to protect the interest of the Government.
4.2 The Government shall be at liberty to encash the Bank Guarantee in full or in part in the event of non-payment of the annual <u>license</u> fee or any fine in violation of any of the conditions of <del>permission-</del> <u>license</u> as provided .In the event of invocation of the Bank Guarantee, the company shall furnish a fresh bank guarantee of the same amount within a period of one month from date of invocation of the Bank Guarantee.	The changes suggested are in view of maintaining consistency in terms used in various licenses.
<b>5. BASIC CONDITIONS AND OBLIGATIONS OF <u>PROVIDING</u> SATELLITE RADIO SERVICE <u>NETWORK PROVIDER</u> <del>BY THE LICENSEE</del></b>	
5.1 Satellite radio service provider shall be able to carry only the following types of radio channels on its service: (i) Non-News and Current Affairs radio channels registered with Government of India as per provisions contained in Part-II of these Guidelines. (ii) The news broadcast of All India Radio(AIR) as mutually agreed between the service provider/radio channel and AIR. (iii) channels of Prasar Bharati as provided in paras 5.13 and 5.14	
5.2 Satellite Radio service shall be encrypted and receivable only through a digital addressable system and provided on subscription basis.	
5.3 The company shall not carry any radio channels prohibited or not registered with the Ministry of Information & Broadcasting.	
5.4 The company shall not carry the channels of a radio broadcaster or a satellite radio service provider against whom the competent authority or any regulatory body, tribunal or court have found the following: - (i) Refused access on a non-discriminatory basis to another satellite radio service provider contrary to the rules , regulations etc. governing the radio broadcasting in India (ii) Refused to carry channels made mandatory for such carriage  (iii) Violated the provisions of any law relating to competition including the Competition Act. [Explanation: It shall be the sole responsibility of the <del>permission holder</del> <u>licensee</u> to ascertain before carrying any channels on its network whether any radio channel broadcaster has been found to be in violation of the above conditions or not. If any violation so comes to its notice, the <del>permission holder</del> <u>licensee</u> shall forthwith discontinue carrying the radio channels of such broadcaster.]	
5.5 The company shall ensure that each of the channels carried by it follows the same Programme Code as followed by All India Radio as amended from time to time or any other applicable code, which the Central Government may prescribe from time to time.	
5.6 The company shall be responsible for any violation of the Programme and advertisement Code in case of those channels that are owned or got registered by it. However, in the case of violations of the Programme and advertisement	

<p>Code by other channels which are owned or got registered by other broadcasters or service providers and which are merely carried by it on its network, the responsibility will lie with such broadcasters. The <del>Permission holder</del>licensee Company shall immediately discontinue carrying such channels on being so directed by the Central Government or any other competent regulatory authority.</p>	
<p>5.7 The company shall not carry any commercial advertisements on its service except a maximum of two minutes per hour of promotional material about the satellite radio service and the channel(s) carried by it shall be allowed on any of the channels carried by it.</p>	
<p>5.8 <del>The company shall provide access to various content providers/radio channels on a non discriminatory basis.</del><u>The terms and conditions under which the licensee is providing access to the content providers/ satellite radio channels should be transparent.</u></p>	<p>The change has been suggested to make the provision clearer.</p>
<p>5.9 The <del>permission</del>license granted to the company shall be non-transferable except with specific and prior approval of the Government.</p>	<p>The changes suggested are in view of maintaining consistency in terms used in various licenses.</p>
<p>5.10 The company shall ensure that its facilities are not used for transmitting any objectionable content, messages or communication inconsistent with the laws of India or widely accepted practices in this regard.</p>	
<p>5.11 The company shall comply with the terms and conditions of Wireless Operational License to be issued by the WPC Wing, Ministry of Communications &amp; IT.</p>	
<p>5.12 The Company shall ensure its continued eligibility as applicable through out the period of <del>permission</del>license and adhere to all the terms and conditions of the <del>permission</del>license, failing which the company shall be liable for penalty as specified in Para 14.4 below.</p>	<p>The para 14.4 referred is not relating to penalty. Ministry may refer appropriate para regarding penalty, if necessary.</p>
<p>5.13 The government shall have the right to notify the number and names of radio channel or channels of Prasar Bharati or any other radio channel for compulsory carriage by the satellite radio service provider in his service and the manner of reception and retransmission of such channels.</p>	
<p>5.14 The <del>Permission Holder</del> licensee shall carry other radio channels of Prasar Bharati on the most favorable financial terms offered to any other channel. No <del>licensee</del><del>Permission Holder</del> shall carry or retransmit either the free-to-air radio channels or the audio of any of the free-to-air TV channels of Prasar Bharati/AIR/Doordarshan without a specific authorization from Prasar Bharati /AIR/Doordarshan.</p>	
<p><b>6. MANDATORY SHARING OF CERTAIN BROADCAST SIGNALS WITH PRASAR BHARATI</b></p>	
<p>6.1 The <del>permission holder</del>licensee shall ensure that channels carried by it have ensured compliance with the provisions of Sports Broadcasting Signals (Mandatory Sharing with Prasar Bharti) Act, 2007. <u>For this purpose, a relevant clause in Interconnection agreement with satellite radio channel provider should be incorporated by the licensee.</u></p>	<p>The additions suggested are essentially to ensure compliance of the clause.</p>

7. TECHNICAL STANDARDS AND OTHER OBLIGATIONS	
<p>7.1 <u>Before launching the service, the</u> <del>The</del> applicant company shall furnish technical details such as Nomenclature, make, model, name and address of the manufacturers of the equipments/instruments to be used for broadcasting, distribution and reception system, the Block schematic diagram and also demonstrate the facilities for monitoring and storing record for 90 days. <u>The facility for monitoring and storage of programmes should remain continuously operational during the currency of license.</u></p>	<p>The additions are being suggested to make more clarity in the clause.</p>
<p>7.2 The company can <del>uplink-downlink</del> either in L or S Band. Uplinking would be permitted both to Indian as well as foreign satellites. However, where the company does not have a satellite of its own or of its group company , proposals envisaging use of Indian satellites will be accorded preferential treatment. Satellite to be used should have been coordinated with INSAT System. <u>In case a licensee, who has obtained a preferential treatment in allocation of the license by proposing to use Indian Satellite, fails to use Indian Satellite for providing the service, then he will have to seek permission of the Government for providing service through a foreign satellite.</u></p>	<p>It appears that the term ‘uplink’ has been used erroneously in place of ‘downlink’, as seen from clause 12.2. Also, as indicated in the Introduction of this policy, “Satellite Radio Service refers to distribution of single or multi channel radio programmes in L or S Band by using a satellite system which provides encrypted radio signals direct to subscribers’ receiver sets.” and the distribution is through downlinking of the service from the satellite.</p>
<p>7.3 The service provider will be allowed to adopt any technology with the condition that the technology to be deployed for providing such service shall be based on standards issued by International Telecommunication Union (ITU), Telecom Engineering Centre of India (TEC) or any other International Standards Organization/ body such as the European Telecommunications Standards Institute (ETSI) or any other standardization organization/ body specified by the Government of India, <u>on recommendation of TRAI or otherwise.</u></p>	<p>The changes are proposed keeping in mind the function of TRAI.</p>
<p>7.4 The company should provide technical compatibility and effective interoperability of receiver sets among different service providers using the same technology and standards. They should also provide commercial interoperability so that if the subscribers decide to switch over to any other service provider or platform they should be able to do so at least cost. Commercial interoperability here would mean that in addition to offering the receiver set on an outright purchase basis, a subscriber should also have the option to purchase it on a hire-purchase basis or rental basis with a provision to return the receiver set on such terms and conditions as may be laid down by regulations issued by TRAI.</p>	
<p>7.5 The addressability provided to every subscriber should be capable of blocking over the air by the <del>Permission Holder</del><u>licensee</u> any unwanted channel or group of channels.</p>	

7.6	The company shall ensure subscriber's interests through a Subscriber Management System (SMS) for an efficient, responsive and accurate billing and collection system.	
<del>7.7</del>	<del>The company shall not use any equipment, which is identified as unlawful/or render network security vulnerable.</del>	This clause may be deleted from here as same clause exists in Para 10 at 10.2.
<del>7.7.7</del>	All content provided by the Satellite radio service provider to the subscribers, irrespective of its source, shall pass through the encryption and digital addressable system located within the earth-station situated on Indian soil.	Renumbered
<b>8.</b>	<b>MONITORING AND PUBLIC COMPLAINTS</b>	Heading may be limited to "MONITORING" only to reflect the provisions.
8.1	The company at its own cost shall, (a) Preserve the recordings of broadcast material for a period of three months from the date of broadcast and produce the same to the Government or its authorized representative, as and when required and (b) On demand by the Government or its authorized representative, provide the necessary equipment, services and facilities at designated place(s) for continuous monitoring of the broadcasting service by or under supervision of the Government or its authorized representative.	
8.2	The company shall submit such information with respect to its broadcast as may be required by the Government or its authorized representative from time to time.	
8.3	The company shall furnish any such information at periodic intervals as may be required by the Government or its authorized representative concerning Programme Content and Quality, Technical Parameters <del>etc.</del> and such other matters relating to the broadcast in the format as may be required by the <u>Authority or by the</u> Government or its authorized representative from time to time.	The changes suggested are to make provision more clear.
<b>9.</b>	<b>INSPECTION</b>	
9.1	The Government of India, Ministry of Information & Broadcasting or its authorized representative <u>or TRAI or its authorized representatives,</u> shall have the right to inspect the broadcasting facilities. No prior permission/intimation shall be required to exercise the right of Government or its authorized representative to carry out the inspection. The company will, if required by the Government or its authorized representative, provide necessary facilities for continuous monitoring for any particular aspect of the companies activities and operations.	
9.2	The Government of India, Ministry of Information & Broadcasting or its authorized representative will ordinarily carry out the inspection after reasonable notice except in circumstances where giving such a notice will defeat the very purpose of the inspection.	
<b>10.</b>	<b>NATIONAL SECURITY AND OTHER CONDITIONS</b>	
10.1	The Government of India, Ministry of Information & Broadcasting shall have the right to take over the entire services and networks of the <del>permission holder</del> <u>licensee</u> or revoke/terminate/suspend the <del>permission license</del> of the	The changes are proposed to correct the obvious typographic

<p>company or to prohibit broadcasting of any or all of its channels for a specified period in public interest or in the interest of national security or in the <del>interest event</del> of emergency or war or low intensity conflict without giving prior notice to the company. The company shall immediately comply with any directives issued in this regard failing which the <del>permission license issued granted</del> shall be revoked and the company disqualified to hold any such <del>Permission license</del> in future for a period of five years.</p> <p>Provided that any taking over or suspension of licence, issuance of a directive as described above shall neither be a ground for extension of licence period nor reduction of annual fee.</p>	<p>error and to maintaining consistency in the terms used in various licenses.</p>
<p>10.2 The company shall not use any equipment, which are identified as unlawful and/or render network security vulnerable.</p>	
<p>10.3 <del>The Licensee</del><del>Permission holder</del> shall be required to obtain security clearance of all foreign personnel likely to be deployed <del>for more than 60 days in a year</del> by way of appointment, contract, consultancy or in any other capacity for installation, maintenance, operation or any other services prior to their deployment.</p>	<p>The changes suggested are to harmonize with the similar clause in DTH license where the period of 60 days is not mentioned.</p>
<p>10.4 The <del>permission license</del> shall be subject to <del>permission holder</del><del>licensee</del> remaining security cleared throughout the currency of <del>permission license</del>. In case the security clearance is withdrawn the <del>permission license</del> granted is liable to be terminated forthwith.</p>	
<p>10.5 In the event of security clearance of any of the persons associated with the <del>permission holder</del><del>licensee</del> or foreign personnel is denied or withdrawn for any reasons whatsoever, the <del>permission holder</del><del>licensee</del> will ensure that the concerned person resigns or his services terminated forthwith after receiving such directives from the Government failing which the <del>license permission</del> granted shall be revoked and the company shall be disqualified to hold any such <del>license</del><del>Permission</del> in future for a period of five years.</p>	
<p><b>11. VALUE ADDED SERVICES</b></p>	
<p>11.1 The <del>permission holder</del><del>licensee</del> shall be able to use the Satellite Radio network for providing other value-added services after <del>license/</del> permission for them has been specifically obtained from the competent authority, <del>under intimation to TRAI</del>.</p>	
<p><b>12. USE OF TERRESTRIAL REPEATERS</b></p>	
<p>12.1 Satellite radio network may be complemented by setting up of terrestrial transmitters strictly for re-transmitting channels carried by the satellite radio service for providing a complementary coverage in areas where satellite signals need to be augmented for technical reasons only.</p>	
<p>12.2 The terrestrial repeaters will be permitted to operate on L or S frequency band.</p>	
<p>12.3 The permission for installation and operation of such terrestrial repeaters will be given by the Wireless Planning and Coordination(WPC) Wing in the Department of Telecom. The company shall have to apply to WPC wing giving the</p>	

number, location, height, transmitter power and other details of the proposed terrestrial repeaters as may be required by them and fulfill all conditions for such permission.	
12.4 WPC may grant or refuse permission on a case to case basis.	
12.5 Permission so granted for terrestrial repeaters shall be for strictly re-transmitting channels carried by the satellite radio service <u>without any change</u> and no local programming or other type of interpolation will be permitted.	The suggestion are to make the provisions clearer.
12.6 The company shall keep the Ministry of Information and Broadcasting <u>and TRAI</u> informed about the number and location of terrestrial repeaters permitted to it by WPC within 15 days of receipt of such permission.	
12.6 Permission for using the terrestrial network of Prasar Bharati as terrestrial repeaters may be given preferential treatment.	
12.7 Use of terrestrial repeaters without prior approval of Government shall be deemed as violation of terms and conditions of permission and the Central Government in the Ministry of Information and Broadcasting may, by giving an opportunity of being heard, suspend or revoke the permission agreement and take other punitive action as per the laws of land and permission agreement.	
<b>13. TERMINATION OF <u>PERMISSION LICENSE</u></b>	
<b>13.1 Consequences of non-operationalization.</b>	
13.1.1 The company shall operationalise the service <del>as per the time limit laid down in para 2.1 of these guidelines;</del> <u>within one year from the date of grant of license,</u> failing which the <del>Permission license</del> will be liable to be revoked.	The changes have been proposed to maintaining consistency in the terms used in various licenses.
<b>13.2 Consequences of misuse and non-compliance with directives</b>	
13.2.1 In the event of a <del>licensee</del> <u>Permission Holder</u> using or letting its facilities being used for transmitting any unauthorized content, messages or communication, the <del>license permission</del> granted shall be revoked and the company shall be disqualified to hold any such <del>license</del> <u>Permission</u> in future for a period of five years, apart from liability for punishment under other applicable laws.	The changes have been proposed to maintaining consistency in the terms used in various licenses.
<b>13.3 Consequences of violation of terms and conditions of the <u>Permission License or violation of orders, regulations or directions of TRAI</u></b>	
13.3.1 Subject to the provisions contained in paras 10.1 ,10.5, 13.2 above, in the event of the company violating any of the terms and conditions of <del>Permission license agreement</del> , the Government shall have the right to impose the following penalties: (a) In the event of first violation, suspension of the <u>license</u> and prohibition of broadcast up to a period of 30 days.	Changes suggested are to make provision clearer, and to maintaining consistency in the terms used in various licenses.

<p>(b) In the event of second violation, suspension of the <del>license</del><u>Permission</u> and prohibition of broadcast up to a period of 90 days.</p> <p>(c) In the event of <del>third subsequent</del> violation, revocation of the <del>license</del> <u>Permission</u> and prohibition of broadcast up to the remaining period of the <del>license agreement</del><u>Permission</u>.</p> <p>(d) In the event of the failure of the <del>licensee</del><u>Permission Holder</u> to comply with the penalties imposed within the prescribed time, revocation of <del>license</del><u>Permission</u> and disqualification to hold any fresh <del>Permission</del><u>license</u> in future for a period of five years.</p>	
<p><u>13.3.2 (a) The licensee shall comply with all the orders, directions and regulations of the Telecom Regulatory Authority of India.</u></p> <p><u>_____ (b) The consequences of failure to comply with the orders, directions and regulations of the Telecom Regulatory Authority of India shall be administered by the Telecom Regulatory Authority of India.</u></p>	
<p><del>13.3.2-13.3.3</del> In the event of suspension/revocation of <del>license</del><u>Permission</u>, the <del>licensee</del><u>Permission holder</u> will <del>lose the</del><u>forfeit the</u> <del>Permission</del><u>licensee</u> Fee for unutilized period. The Government shall not be <del>liable to compensate</del> <u>responsible</u> for any investment by the <del>Permission Holder</del><u>licensee</u> on the service or by any other party on the strength of his <del>permission</del><u>license</u>.</p>	<p>Changes suggested are to make provision clearer, and to maintaining consistency in the terms used in various licenses.</p>
<p><del>13.3.3</del><u>13.3.4</u> Any suspension/revocation mentioned under this <del>para</del><u>clause</u> shall be imposed only after giving a written notice to the company identifying the violation, providing opportunity to rectify it, if its nature so permits <del>or otherwise show cause, within a period of 15 days and non-satisfaction from such rectification and/or cause so shown shall render the company liable for the proposed suspension/revocation.</del> <u>Any suspension/revocation mentioned under this clause 13 shall be imposed only after giving due opportunity.</u></p>	<p>The changes suggested are meant to provide adequate opportunity to the service provider before suspension/ revocation.</p>
<p><b>13.4 Termination for Non eligibility</b></p>	
<p>13.4.1 The Government may, at any time, terminate <del>this Agreement and the Permission</del><u>the license agreement</u>, without compensation to the <del>Permission Holder</del><u>licensee</u> in case the company fails to meet the eligibility criteria as laid down in these Guidelines or its security clearance is withdrawn or liquidation proceedings are initiated or becomes bankrupt or otherwise insolvent or applies for being adjudicated insolvent / bankrupt, provided that such termination shall not prejudice or affect any right of action which has accrued or will accrue thereafter to the Government.</p>	
<p><del>13.4</del><u>13.5</u> <b>Termination for convenience</b><u>Premature Surrender of License</u></p>	
<p>13.5.1 The company may surrender the <del>Permission</del><u>license</u>, by giving an advance notice of one month to the Government</p>	

as well as to all concerned/affected parties. However, in such a case, <del>license</del> <del>permission</del> fee for the unutilized period would not be refunded.	
<b>14. WPC WING'S PERMISSION</b>	
14.1 As aforementioned, before operating the service or a terrestrial repeater a separate specific license i.e. Wireless Operational License, shall be obtained by the company from the WPC Wing of Ministry of Communications &IT, permitting utilization of appropriate frequencies/band for the establishment and operation of concerned wireless component of satellite Service under usual terms and conditions of such license. The Grant of such License shall be governed by the rules, procedures and guidelines and shall be subject to compliance with all requirements of the WPC wing.	
14.2 For this purpose, an application shall be made to the “Wireless Advisor to the Government of India, WPC Wing, Department of Telecommunications, Ministry of Communications &IT, ” in the prescribed application form.	The application form may be prescribed by the Ministry and shall become part of the policy.
14.3 License fee/royalty as prescribed by WPC from time to time, shall have to be paid by the company towards grant of License for usage of frequency spectrum.	
14.4 The company shall not cause harmful interference to other authorised users of radio spectrum. WPC Wing will have the sole discretion to take practicable and necessary steps for elimination of harmful interference, if any, to other licensed users.	
14.5 The Wireless Planning and Coordination Wing, Ministry of Communications & IT shall have the right to inspect from time to time the installation from technical angles to check conformity with Wireless Operational License conditions.	
<b>15. PROCEDURE FOR APPLICATION AND GRANT OF <del>PERMISSION</del>:<u>LICENSE</u></b>	
15.1 All applicant companies shall apply to the Secretary, Ministry of Information & Broadcasting, in triplicate, in the prescribed proforma along with a processing fee of Rupees One Lakh	The application form may be prescribed by the Ministry and shall become part of the policy.
15.2 On the basis of information furnished in the application form, if the applicant is found eligible for setting up of Satellite Radio service in India, the application will be subjected to security clearance of the company, Board of Directors, Managing Director, CEO and CFO in consultation with the Ministry of Home Affairs and for clearance of satellite use with the Department of Space.	
15.3 After these clearances are obtained, the applicant would be required to pay an Non-Refundable Entry Fee of Rs.2.5 Crores to the Ministry of Information and Broadcasting.	
15.4 After such payment of entry-fee, the applicant would be informed of intent of Min. of I & B to issue <del>permission</del> <u>license</u> and requested to approach WPC for SACFA clearance.	
15.5 After obtaining SACFA clearance, within one month of the same, the company will have to submit a Bank guarantee in <del>desired</del> <u>prescribed</u> format from any Scheduled Bank to the Ministry of Information and Broadcasting for an	The application form may be prescribed by the Ministry and

amount of Rs.10 crores valid for the duration of the license.	shall become part of the policy.
15.6 After submission of this Bank Guarantee, the applicant would be required to sign a <u>Grant of Permission License Agreement</u> with the Ministry of Information and Broadcasting as per prescribed proforma.	The form may be prescribed by the Ministry and shall become part of the policy.
15.7 Thereafter the Ministry of Information and Broadcasting will issue <u>permission-license</u> to the applicant to provide satellite radio services in the country in accordance with the terms and conditions of the <u>GOPALicense Agreement</u> .	Changes have been suggested to maintaining consistency in the terms used in various licenses.
15.8 After signing of such agreement with the Ministry of Information and Broadcasting, the applicant will have to apply to the Wireless Planning & Coordination (WPC) Wing of the Ministry of Communications for seeking Wireless Operational License for establishment, maintenance and operation of Satellite Radio Service network.	
15.9 All kinds of fees and other dues payable to the Government shall be deposited in the form of Demand Draft in favor of PAY & ACCOUNTS OFFICER, MINISTRY OF INFORMATION & BROADCASTING payable at New Delhi.	
<u>15.10 The licensee shall also comply with any other terms and conditions which may be specified by the licensor in future.</u>	
<u>PART II</u>	
<b>(<u>Permission License</u> to companies for creating their own and/or seeking registration of non ‘news and current affairs’ satellite radio channels broadcast either from India or abroad)</b>	Changes have been suggested to maintaining consistency in the terms used in various licenses.
<b>16 Eligibility criteria for companies :</b>	
16.1 A ‘Non-News & Current Affairs Channel’ means a channel that does not have any element of news and current affairs in its programme content except the news broadcast of AIR.	
16.2 The entity applying for <u>permission-license</u> for registering a radio channel, must be a Company incorporated in India and registered under the Companies Act 1956 <u>with its principal place of business in India</u> , irrespective of its ownership, equity structure or management control:	The changes suggested to incorporate the intention suggested in clause 16.3.
<del>16.3—The applicant company must have a commercial presence in India with its principal place of business in India.</del>	The clause is being deleted in view of addition suggested in clause 16.2. However if Ministry feel it necessary to retain the term ‘commercial presence’, then ‘commercial presence’ may be defined.
<del>16.4</del> <u>16.3</u> The following types of companies shall not be eligible to apply: (a) A company controlled by or associated with a religious body; (b) A company controlled by or associated with a political body;	Renumbered

Note 1: For the purpose of sub clause (a) above a religious body shall be:  
i. A body whose objectives are wholly or mainly of a religious nature;  
ii. A body, which is controlled by a religious body or an associate of religious body

Note 2: For the purpose of sub clause (b) above a political body shall be:  
i A body whose objects are wholly or mainly of a political nature;  
ii A body affiliated to a political body;  
iii A body ~~corporate~~, which is an associate of a body ~~corporate~~ controlled, held by, operating in association or controlling a body of political nature as referred above.

~~16.5~~16.4 The applicant company will not be eligible for seeking ~~permission~~-license during the period of disqualification as provided in paras 10.1,10.5,21.2.1 and 21.3.1.

~~16.6~~16.5 The applicant company must either own the registered radio channel/s it proposes to broadcast in India or must enjoy exclusive marketing/distribution rights for the same throughout the territory of India, inclusive of the rights to the subscription revenues for the service and the right to conclude contracts on behalf of the channel for subscription and program content and must submit adequate proof at the time of application.

~~16.7~~16.6 Further, the applicant company should have a minimum Net Worth for all times during the currency of the license as prescribed below:

Item	Required Net Worth
For each Non-News and Current Affairs Channel	Rs 50 Lakhs

In case of a licensee which holds the license for providing satellite radio service also, this Net Worth requirement would be in addition to the Net Worth requirement laid down in 1.1.8.

The decision of the Government regarding definition of the Net Worth, its calculation and its monitoring shall be final.

~~16.8~~16.7 The Company, Directors, Managing Director , Chief executive Officer(CEO), and Chief Financial Officer (CFO) will be required to be security cleared from the Ministry of Home Affairs. The applicant company shall give intimation to Ministry of I & B regarding change in the directorship, key executives or foreign direct investment in the company, within 15 days of such a change taking place.

**17. ELIGIBILITY CRITERIA FOR REGISTRATION OF CHANNELS FOR BEING CARRIED ON SATELLITE RADIO SERVICE FOR PUBLIC LISTENING IN INDIA**

17.1 Only Companies permitted/eligible for ~~permission~~-license to create their own radio channels and/or seek registration as per Para 16 above, shall be eligible to apply for registration of channels.

17.2	The foreign channel must be licensed or permitted for being broadcast by the regulatory or licensing authority of the country of transmission, proof of which would have to be submitted at the time of application.	
17.3	The channel being registered should not have been de-registered under para 21.3.1 of these guidelines at the time of application.	
17.4	No Indian or foreign News and Current affairs channels, except as provided in paras 5.13 and 5.14, will be allowed to be registered for being carried on Satellite Radio service.	
17.5	Radio channels that are being carried at present and are otherwise permissible under these guidelines to be carried on satellite radio service will be required to be registered within one year from date of issuance of these guidelines by either the satellite radio service provider or the company which seeks to provide such channels for broadcast over the satellite radio service network.	
17.6	The company shall not carry any commercial advertisements on its channels except a maximum of two minutes per hour of promotional material about the channel(s) and the satellite radio service on which it is carried shall be permitted.	
18.	<b>GRANT OF <del>PERMISSIONS</del> <u>LICENSE TO COMPANIES</u> AND REGISTRATION OF CHANNELS:</b>	The changes suggested are to reflect the provisions, and to maintaining consistency in the terms used in various licenses.
18.1	There will be no restriction on the total number of satellite radio channels to be registered by any company which fulfils the necessary terms and conditions and eligibility criteria as laid herein.	
18.2	A single <del>permission</del> <u>license</u> for every Applicant Company shall be issued irrespective of the number of channels proposed to be provided/registered by the Company subject to other conditions laid down. However the Applicant Company shall have to get registration of each channel as per the procedure laid down by the Government of India.	Changes have been suggested to maintaining consistency in the terms used in various licenses.
18.3	The period of <del>permission</del> <u>license</u> to a company for providing one or more satellite radio channels shall be ten years for which a <u>one time license</u> <del>permission</del> fee of Rupees Two Lakhs shall be paid by the company along with the application form. Such <u>license</u> <del>permission</del> may be extended for a similar period from time to time subject to payment of the prescribed fee.	
18.4	The period of registration of a satellite radio channel shall also be ten years for which a <u>one time</u> registration fee of Rupees Two Lakhs shall be paid by the applicant company alongwith the application form <u>for each channel</u> . Such registration may be extended for a similar period from time to time subject to the payment of the prescribed fee.	The addition suggested is to make provision unambiguous.
19.	<b>BASIC CONDITIONS/OBLIGATIONS</b>	
19.1	The Company <del>permitted</del> <u>licensed</u> to register radio channels shall ensure compliance with the same Programme Code as followed by All India Radio as amended from time to time or any other applicable code, which the Central Government may prescribe from time to time.	

19.2 No channel shall broadcast any programme which may <del>amount</del> <u>be perceived</u> to religious or political propaganda. <u>The decision of the Government in this regard shall be final.</u>	The changes suggested are perhaps keep the intention of the Government.
19.3. The applicant company shall provide Satellite Radio Channel signal reception decoders only to Satellite Radio Service Providers permitted by Government of India under these Guidelines.	
19.4 The <del>licensee</del> <u>permission holder</u> shall ensure that channels carried by it have ensured compliance with the provisions of Sports Broadcasting Signals (Mandatory Sharing with Prasar Bharti) Act, 2007.	
19.5 The applicant company seeking <del>license</del> <u>permission</u> to broadcast a radio channel shall operationalise the channels within one year from the date of the <del>license</del> <u>permission</u> /registration being granted by the Ministry of I&B, failing which the <del>license</del> <u>permission</u> /registration will be liable to be withdrawn without any notice in this regard. However, the company shall be afforded a reasonable opportunity of being heard before such a withdrawal.	Changes have been suggested to maintaining consistency in the terms used in various licenses.
19.6 The <del>licensee</del> <u>Permission Holder</u> shall also broadcast Public Interest Announcements as may be required by the Government of India, the Ministry of Information and Broadcasting for a maximum of one hour per day.	
19.7 Usage of facilities/infrastructure like VSAT links, optical fibre links etc. for collection and point to point transfer of radio channel for broadcast purposes, shall be subject to approvals, if any, required from the competent authority in the Ministry of Communication and information Technology.	
19.8 The company shall abide by the provisions of paras 8, 9 and 10.	
<b>20. PROCEDURE FOR APPLICATION AND GRANT OF <del>PERMISSION</del><u>LICENSE</u>/ REGISTRATION:</b>	Changes have been suggested to maintaining consistency in the terms used in various licenses.
20.1 All applicant companies shall apply to the Secretary, Ministry of Information & Broadcasting, in triplicate, in the prescribed proforma alongwith a processing fee of Rupees ten thousand.	
20.2 On the basis of information furnished in the application form, if the applicant is found eligible for providing a Satellite Radio Channel in India, the application will be subjected to security clearance of the company, Board of Directors, Managing Director, CEO and CFO in consultation with the Ministry of Home Affairs.	
20.3 After the clearance is obtained, the applicant would be required to pay a <del>Permission</del> <u>license</u> Fee of Rs.2 lakhs for <del>license</del> <u>permission</u> to the company and <u>a registration fee of</u> Rs 2 lakhs each for the channels proposed to be registered in its name, to the Ministry of Information and Broadcasting.	Changes have been suggested to maintaining consistency in the terms used in various licenses.
20.4 After such payment of <del>entry fee</del> <u>license fee and registration fee</u> , the applicant would be informed of intent of Min. of I & B to issue <del>permission</del> <u>license and registration</u> and requested to sign a <del>Grant of Permission</del> <u>License</u> Agreement with the Ministry of Information and Broadcasting as per prescribed proforma.	Changes have been suggested to maintaining consistency in the terms used in various licenses.
20.5 Thereafter the Ministry of Information and Broadcasting will issue <del>permission</del> <u>license</u> to the applicant to provide <del>satellite radio services</del> <u>registered channels for broadcast</u> in the country in accordance with the terms and conditions of the <u>License Agreement</u> <del>GOPA</del> .	Changes have been suggested to maintaining consistency in the terms used in various licenses.

20.6 All kinds of fees and other dues payable to the Government shall be deposited in the form of Demand Draft in favor of PAY & ACCOUNTS OFFICER, MINISTRY OF INFORMATION & BROADCASTING payable at New Delhi.	
<b>21. TERMINATION OF <del>PERMISSION</del> <u>LICENSE</u></b>	
<b>21.1 Consequences of non-operationalization</b>	
21.1.1 The company shall <del>operationalise</del> <u>commence offering</u> the channel <del>as</del> within one year from the signing of <u>GOPA license agreement</u> failing which the <del>Permission</del> <u>license</u> will be liable to be revoked.	The changes are proposed to elaborate the operationalization of channels.
<b>21.2 Consequences of misuse and non-compliance with directives</b>	
21.2.1 In the event of a channel found to have been/being used for transmitting any objectionable unauthorized content, messages, the <del>permission</del> <u>license</u> granted shall be revoked and the company shall be disqualified to hold any such <del>permission</del> <u>license</u> for a period of five years, apart from liability for punishment under other applicable laws. Further, the registration of the channel shall be revoked and the channel shall be disqualified from being considered for fresh registration for a period of five years.	
<b>21.3 Consequences of violation of terms and conditions of the <del>Permission</del> <u>License</u></b>	
21.3.1 Subject to the provisions contained in Para 6.1 of these guidelines, in the event of a <del>permission holder</del> <u>licensee</u> and/ or channel violating any of the terms and conditions of <del>permission</del> <u>license</u> , or any other provisions of the guidelines, the Ministry of Information and Broadcasting shall have the right to impose the following penalties: -  (a) In the event of first violation, suspension of the <del>permission</del> <u>license</u> of the company and/or registration of the channel and prohibition of broadcast up to a period of 30 days.  (b) In the event of second violation, suspension of the <del>permission</del> <u>license</u> of the company and/or registration of the channel and prohibition of broadcast up to a period of 90 days  (c) In the event of <del>third</del> <u>subsequent</u> violation, revocation of the <del>permission</del> <u>license</u> of the company and/or registration of the channel and prohibition of broadcast up to the remaining period of <del>permission</del> <u>license</u>  (d) In the event of failure of the <del>permission holder</del> <u>licensee</u> to comply with the penalties imposed within the prescribed time, revocation of <del>permission</del> <u>license</u> and /or registration and prohibition to broadcast for the remaining period of the <del>permission</del> <u>license</u> and disqualification to hold any fresh <del>permission</del> <u>license</u> and /or registration in future for a period of five years.	Changes are proposed to make provision more clear.
21.3.2 In the event of suspension/revocation of <del>Permission</del> <u>license</u> and/or registration of the channel, the <del>licensee</del> <u>Permission holder</u> will <del>lose</del> <u>forfeit</u> the <del>Permission</del> <u>license</u> /registration Fee <del>for the unutilized period</del> . The Government shall not be <del>liable to compensate</del> <u>responsible</u> for any investment by the <del>Permission Holder</del> <u>licensee</u> on the	The changes suggested are to make provisions more clear.

<p>service or by any other party on the strength of the <del>permission</del>license/registration.</p>	
<p>21.3.3 Any suspension/revocation mentioned above shall be imposed only after giving a written notice to the company identifying the violation, providing opportunity to rectify it, if its nature so permits, <del>or otherwise show cause, within a period of 15 days and non-satisfaction from such rectification and/or cause so shown shall render the company liable for the proposed suspension/revocation.</del> <u>Any suspension/revocation mentioned under this clause 21 shall be imposed only after giving due opportunity.</u></p>	<p>The changes suggested make the provisions more flexible.</p>
<p><b>21.4 <del>Termination for Non-eligibility</del><u>Consequences for failure to maintain eligibility criteria</u></b></p>	<p>The changes suggested perhaps refelect the intention of the clauses more appropriately</p>
<p>21.4.1 The Government may, <u>on recommendations of TRAI or otherwise,</u> at any time, terminate this Agreement and the <del>Permission</del>license and/or Registration, without compensation to the <del>Permission Holder</del>licensee in case the company fails to meet <u>and maintain</u> the eligibility criteria <u>during the currency of the license</u> as laid down in these Guidelines or its security clearance is withdrawn or liquidation proceedings are initiated or becomes bankrupt or otherwise insolvent or applies for being adjudicated insolvent / bankrupt <u>or incurs any disqualification under any Act, Rule, Regulation or order in force,</u> provided that such termination shall not prejudice or affect any right of action which has accrued or will accrue thereafter to the Government.</p>	
<p><b>21.5 <del>Termination for convenience</del><u>Premature surrender of license/ registration</u></b></p>	
<p>21.5.1 The company may surrender the <del>Permission</del>license and/or Registration of a channel or channels, by giving an advance notice of one month to the Government as well as to all concerned/affected parties. However, in such a case, <del>license</del>permission/registration fee for the unutilized period would not be refunded.</p>	
<p><b>PART-IV</b></p>	
<p><b>22. DISPUTES WITH OTHER PARTIES</b></p>	
<p>22.1 In the event of any dispute between the company and any party other than the Government (including in relation to the <del>Permission</del>license and/or Broadcasting services, etc) due to any reason whatsoever, it shall be the sole liability of the company to resolve such dispute amicably or otherwise with the other party and the Government shall have no liability whatsoever in this regard. Further, the company shall undertake to fully indemnify and keep the Government harmless in respect of any action, claim, suit, proceeding, damage or notice to/against the Government for any act of omission or commission on the part of the company, its agents, employees, representatives or servants.</p> <p>Provided that if any such third party dispute arises on account of non-observance or breach of any rules or regulations or any other terms and conditions of <del>permission</del>license by the company as provided, the Government shall also have the right to take any action against the company as provided herein.</p>	

<b>23. DISPUTE RESOLUTION AND JURISDICTION</b>	
23.1 <del>In the event of any question, dispute or differences arising between the Central Government and the company with respect to permissions issued under these Guidelines, the same shall be resolved before Telecom Disputes Settlement and Administrative Tribunal</del> <u>Dispute resolution shall be</u> as per the provisions of <u>Section 14 of</u> Telecom Regulatory Authority of India Act, 1997 <u>as amended from time to time or such other laws applicable to resolution of such dispute.</u>	
23.2 <u>Subject to 23.1,</u> <del>T</del> he courts at New Delhi shall have the jurisdiction over all disputes.	Needs Guidance of the Authority.
<b>24. MISCELLANEOUS</b>	
24.1 The grant of <del>Permission</del> <u>License</u> /registration shall be subject to the condition that <del>as and when any regulatory authority to regulate and monitor the Broadcast Services in the country is constituted, the company shall adhere to the norms, rules and regulations laid down by such authority.</del> <u>The licensee/registration holder shall comply with any regulations, orders and directions issued by TRAI from time to time under the TRAI Act 1997.</u>	The changes are suggested keeping in mind the provisions of TRAI Act, 1997.
24.2 The <del>Permission</del> <u>license</u> /registration shall be governed by the provisions of the Telecom Regulatory Authority of India Act, 1997, Indian Telegraph Act, 1885 and Indian Wireless Telegraphy Act, 1933 as amended from time to time and any other law as applicable to broadcasting which has or may come into force.	
24.3 The Government shall have the right to modify <u>on recommendations of TRAI,</u> at any time the provisions of these guidelines and/or the terms and conditions of <del>permission</del> <u>license</u> /registration, if in the opinion of the Government it is necessary or expedient to do so in public interest or in the interest of the security of the State. The decision of the Government shall be final and binding in this regard.	
<b><u>25. REQUIREMENT TO FURNISH INFORMATION</u></b>	The Clause is proposed to be added for having effective monitoring on the operation of the licensee
<u>25.1 The Licensee shall furnish to the Licensor as well as to the TRAI in the manner and as per the time frames such document, accounts, estimates, returns, reports or other information as may be specified from time to time.</u>	

**Annexure-I**

**FORMAT FOR CERTIFICATE OF NET WORTH BY STATUTORY AUDITORS.**

We have audited the Books of Accounts of \_\_\_\_\_ for the financial year/period ended month-day-year 2007 and certify that the “Net Worth” of M/s \_\_\_\_\_ the Applicant Company as on \_\_\_\_\_ 2007 is Rupees \_\_\_\_\_ lacs (rupees in words lacs). We further certify that the Net Worth of the Applicant Company is computed as follows:

Sl.No.	Particulars	Amount in Rupees-lacs
1.	Book Value of assets	
2.	Book Value of fictitious and intangible assets	
3.	Liabilities other than owner’s funds	
4.	Net Worth {1-(2+3)}	

Place/Date

Statutory Auditors

**Note:**

NET WORTH

The excess of the book value of assets (other than fictitious and intangible assets of an enterprise over its liabilities. This is also referred to as Net assets or shareholder’s funds

Book Value of assets

**The amount at which an item appears in the books of account or financial statement. It does not refer to any particular basis on which the amount is determined. Eg. Cost, replacement value etc**

Fictitious assets.

**Items grouped under the assets in a balance sheet which has no real value (eg. The debit balance of the profit and loss account)**

Liabilities

**The financial obligation of an enterprise other than owner’s funds.**

**Annexure-II**

**FORM -A**

**STATEMENT OF GROSS REVENUE FORMING PART OF THE FINAL ACCOUNTS OF M/S. -----**

SL. N.	Income Heads	Tariff rate/ rate card	Discounts		Agency commission	Taxes	Net as per P & L a/c
			trade	others			
[Amount Rupees in lacs]							
		A	B	C	D	E	F
1.	Subscription revenues						
2.	Sale of receiver sets other hardware, etc.						
3.	Rent -Premises						
4.	Rent-Equipment						
5.	Interest/Dividend						
6.	Related Party Transactions						
7	Goods sold						
8	Services tendered						
9	Others						

**Note:**

1. The income heads are only indicative and illustrative and the Auditor would include all additional income in the relevant Heads of the Permission holder
2. The income from the Related Parties shall tally with the Related Parties as per accounting standards no.18.
3. Additional columns may be introduced in the format if required.
4. Column F is the total revenue as per profit and loss account. To arrive at the Gross Revenue as per column the taxes,agency commissions as applicable are to be added.

$$\text{Gross Revenue(A)} = \text{B+C+D+E+F}$$

$$\text{Gross Revenue for Annual Fee @ 4\%} = (\text{A} - (\text{B} + \text{C})) \times 4\%$$