

BIF RESPONSE TO TRAI CP ON EASE OF DOING BUSINESS IN THE BROADCASTING SECTOR

Q1. Is there a need for simplification of policy framework to boost growth of satellite TV industry? If yes, what changes do you suggest in present policy framework relating to satellite TV channels and why? Give your comments with justification?

BIF RESPONSE

As has been mentioned in detail at various places inside the Consultation paper itself, the approvals/permission process for Satellite TV channels comprises of multiple stages by a plethora of agencies/departments/ministries viz. DOS for satellite bandwidth, Dept of Revenue for Down Link permission, approvals from WPC & NOCC for Uplink permission, Security Clearance by MHA, etc. Further all internal and inter-ministerial processes are done manually. It is usually a very lengthy process and usually takes a very long time. This results in unpredictable delays, leading to adverse impact on ‘Ease of doing Business’

There is perhaps need for harmonisation & streamlining of the approval process with clear cut timelines, need to put in place a mechanism whereby security clearances are granted within a specified timeframe so as to avoid uncertainty and thereby allow stakeholders to make their business plans accordingly. Also the need to have prior permission for change of Directors/Key personnel creates practical difficulties in appointments & change of key personnel when approval from concerned authorities gets delayed inordinately. Other measures that could be taken up would include doing away with the process of seeking permission for annual renewal for the purpose of Uplinking & Downlinking of any channel, doing away with separate approvals for different variants of a TV channel viz. SD, HD , etc when content remains the same and converting to single approvals for all formats of the same channel which displays the same content .

It may be helpful if a simplified single window mechanism as an online facility (e-window) is established for processing & grant of all approvals related to all Satellite TV channels. In such cases the Single Point of Contact/Window shall have provision of internal communication with other related departments and shall provide status monitoring & updation, obtain necessary approvals and payment of fees, as applicable.

There could be a distinction between a new broadcast entity and an existing broadcast entity. The threshold for between such entities could be based on years spent in broadcast operations already.

It is understandable and acceptable if a new broadcasting entity entering into the broadcasting sector but it is untenable if an existing broadcasting entity when it wants to expand its operation or increase the number of its channels is subject to the same level of scrutiny.

At the moment MIB takes an unlimited period of time in giving approvals and confirmation when an application is filed at MIB. They then send it to multiple departments/ministries, which take time as there is no clear cut timeline to adhere by either of these departments.

If an existing broadcaster who enters into agreement with a teleport operator, shows required net worth certified by a statutory auditor, complies regularly with Ministry of Corporate Affairs' requirements, has the required bandwidth from satellite operators, the broadcast company and its directors have necessary security clearance, then a shorter and faster process should be undertaken by MIB to give clearance to newer TV channels being launched by such entity.

Broadcasters should be able to get approval for providing value added services over satellite for services which are not 24 x 7 hours TV channels. These value added services can be activated based on certain events. These events may be available only for a specific duration. In the present regime, since there is no specific policy for approval of such services, the viewers are deprived of such events over satellite. Such events may be time bound, i.e. available for a few hours but less than 24hours and which may be live events. The broadcaster is unable to provide such events to the viewers as they are not considered to be "full" TV channels.

Q2. Is there a need in present policy framework relating to seeking permission for making changes in the name, logo, language, format, etc. related to an operational satellite TV channel? If so, what changes do you suggest and why? Give your comments with justification?

BIF RESPONSE

As per extant policy and regulatory framework, Broadcasters are required to seek prior approvals from MIB for change in name of channel, addition of language, change in logo of channel, change in format (SD/HD/4K). Such changes are usually done according to the broadcasters' business plans and it is in their business interest to get these permissions at the earliest. However

the existing process, to effect any one of these changes involves elaborate documentation and is a time consuming process.

In an era of rapid advancement of new technologies, technologies viz. HD, 4K , etc are gaining momentum. To be able to meet the consumer requirements, broadcasters are required to provide multiple variants/versions of the same content (SD/HD/4K) as well in different languages. For each and every version and language if prior permission of MIB is required, it becomes a hindrance to adapt to the consumer's needs thereby affecting the Ease of Doing Business.

It may be helpful if a simplified single window mechanism as an online facility (e-window) is established for processing & grant of all approvals related to all Satellite TV channels. In such cases the Single Point of Contact/Window shall have provision of back channel communication with other related departments and shall provide status monitoring & updation, obtain necessary approvals and payment of fees, as applicable.

There must be a clear cut definition for each of the changes mentioned herein:

1. Name and logo - it must be intimation and there should be no need for prior approval if there is no involvement of any change in technical parameters.
2. Change of satellite / transponder - ISRO must upload a detailed list of approved list of foreign satellites for broadcasters and teleport operators to enter into agreements on their website. The MIB:WPC/NOCC need to check the ISRO website to grant permission rather than send the documents to Bangalore (i.e. ISRO's Head Office) for physical verification which takes too much of time.
3. Approval of WPC and NOCC should be through a single filing rather than through multiple application process, as is the case presently.
4. Teleport/ DTH - The Up-linking and Downlinking guidelines of 2011 which were the result of the consultation process of TRAI on the same subject - had introduced a new clause for channels which are up linked from India but not granted Downlinking permission for distribution in India. This provision was introduced to make India a teleport hub of the world. However due to red-tapism this admirable goal has remained unfulfilled. If these inefficiencies are removed India can not only become the teleport hub of the world but it has the potential to also become the creative hub of the world given its huge untapped human resource potential and geographical location. For example, the case in point is when Hong Kong was handed over to China the big broadcasters would have moved their operations to India but instead moved to Singapore, even though India was in a position to offer cheaper technological and creative manpower.

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

BIF RESPONSE

Yes-we agree. When the permission is already granted for a period of 10 years, the clause to seek annual renewal by paying an annual fee of Rs. 2Lakhs makes it needlessly cumbersome. Since the Annual Renewal often gets delayed, hence the broadcasters are unable to make agreement with new distribution channels. Permission to Broadcasters for obtaining bandwidth on a foreign satellite also often gets delayed due to delay in annual renewal This requirement of annual approval/clearance is clearly not in the overall business interest and would prefer to have long term contract with satellite bandwidth providers for better business stability and economies of scale

Q4. Do you agree with stakeholders' comments that coordination with multiple agencies/ Government departments related to starting and operating of a TV channel can be simplified? If so, what should be the mechanism and framework for such single window system? Give your comments with justification?

BIF RESPONSE

Agreed. BIF requests that Govt. needs to do away with the Multi-stage application process required for grant of license to operate. This involves different ministries and departments. Applicants are also required to approach WPC & NOCC & MIB multiple times before commencement of services. Also the procedure involved for grant of license is different for each kind of service.

Grant of permission & license for services or up gradation of operational capacities get considerably delayed as it requires clearances and approvals from multiple ministries and departments

Keeping in view the complexities involved and the enormous amount of time delay , there is an urgent need to streamline & simplify these processes to an improved and efficient license process from the point of view of Ease of doing Business.

This could be done by a) defining clear timelines and b) having standardized procedures . Also there should be a simplified single window mechanism as an

online facility (e-window) is established for processing & grant of all approvals related to all types of services. In such cases the Single Point of Contact/Window shall have provision of back channel communication with other related departments and shall provide status monitoring & updation, obtain necessary approvals and payment of fees, as applicable.

Q5. Is present framework of seeking permission for temporary uplinking of live coverage of events of national importance including sports events is complicated and restrictive? If yes, what changes do you suggest and why? Give your suggestions with justification.

BIF RESPONSE

Yes-indeed. The process of approvals and clearances is so convoluted and time consuming that often broadcasters is unable to get clearances in time leading to financial losses and also restricting their ability to showcase important events to their customers.

Sports TV Channels have specific requirement of carrying live feeds which need to be sent from place of their event to their central production facility. The main area of concern for them is not being permitted to uplink live feeds without having prior permission from MIB for coverage of the sports event. Also the current regulations do not permit Sports Broadcasters from using SNG/DSNG or OFC links for transport of live feeds. Given the fact that in today's scenario where technology has advanced to open up new vistas for program production & transmission, bringing live feeds & programs to people without any delay is the norm. Hence these procedures are not business friendly.

What is required? Sports Broadcasters who are duly permitted to operate their own TV channels should not require any separate permission to avail services from approved SNG/DSNG operator. Suitable mechanisms may be developed for utilization of approved SNG/DSNG or any other authorized telecom infrastructure as is allowed to Broadcasters of "News & Current Affairs ". Hence extant provisions pertaining to temporary Uplink permissions may be required to be rationalized & simplified to encourage coverage of sports events. Such a move is likely to lead to development of sports & dissemination of sports programming and improving overall Ease of doing Business

Q6. Do you feel the need to simplify policy framework for seeking permission/license for starting and running of following services-(iii) Teleport services(iv) DTH service. If yes, what changes do you suggest so

that process of grant of permission/license can be simplified and expedited? Give your comments with justification.

BIF RESPONSE

YES –there is a clear need to review the current provisions to help streamline the procedures to an improved and efficient permission/license process. This is necessitated as the current procedures are fraught with restrictive practices and considerable delay due to multi-stage application process, requirement to deal with WPC, NOCC & MIB multiple times besides obtaining clearances from MHA, DOS etc . For DTH services, acquisition of Ku band transponder capacity is highly regulated and is done through an intermediary viz. ANTRIX (a PSU of DOS). As a result, there has been considerable delay in acquiring Ku band transponders from DOS and also due to non-availability of adequate transponders, the DTH Service providers are unable to chalk out their business plans

The permission/license process for teleports involves a number of stages and applicants have to approach different ministries and departments multiple times before the teleport services can start. As in the case of satellite TV channels, a “single window” clearance system should be introduced for teleports with standardized timelines which need to be adhered to by all concerned departments and ministries. It may be helpful if a simplified single window mechanism as an online facility (e-window) is established for processing & grant of all approvals related to all DTH or Teleport services. In such cases the Single Point of Contact/Window shall have provision of back channel communication with other related departments and shall provide status monitoring & updation, obtain necessary approvals and payment of fees, as applicable.

Also, presently WPC permission is given to teleports only for a year with an annual renewal process. Often due to delay in the WPC permission there is a delay in obtaining permission for foreign exchange remittance. This may impact compliance with contractual obligations with the satellite service provider. As in the case of the license/permission to set up a teleport, the WPC permission should also be given for 10 years. A report can be submitted to the WPC/MIB on an annual basis confirming compliance with the license terms and payments made to foreign satellite providers.

Complete process of MIB Application should be online. There should be clear defined time lines and single window system. 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. This will allow business to grow and avoid losses.

Due to the evolution of technology and digitalization of uplink process multiple channels can now be carried on a single frequency. Consequently, if WPC and NOCC permissions have been given for a transponder on a certain frequency for a new channel, any additional channel applications by the same applicant on the same transponder and frequency should not necessitate a fresh WPC and NOCC permissions. A mere intimation should be given to the WPC and the NOCC in respect of such additional channels. In any event the WPC is doing compliance monitoring of the channels.

Q7. As per your understanding, why open sky policy for Ku band has not been adopted when it is permitted for ‘C’ band? What changes do you suggest to simplify hiring of Ku band transponders for provision of DTH/HITS services? Give your comments with justification.

BIF RESPONSE

Apparently it seems to be a case of capacity shortage or at least artificially created shortage. Hence capacity regulation is perhaps being practiced.

BIF recommends a thorough revision of the process of hiring of capacity & clearances from concerned agencies need to be undertaken and recommends “Open Sky Policy” not just for Ku and C bands but for all Satellite bands so that acquisition of satellite capacity (transponders) can be simplified and liberalized so that all service providers viz. DTH or VSAT providers can directly enter into agreements with foreign satellite bandwidth providers for acquiring satellite capacity in all permissible bands.

Since hiring & leasing of Ku band transponders is done by DOS, frequency allocation/assignment & other permissions are subsequently issued by other Govt. agencies viz. WPC, NOCC, all such processes may be simplified and made co-terminus so that Service providers do not incur financial losses due to advance payment for resources which take up to 6-12 months thereafter for issue of final Uplinking permission. Well defined timelines maybe laid down for completion of subsequent activities towards grant of permissions once bandwidth acquisition agreements are signed by operators. With the number of introduction of new satellite TV channels, DTH operators require more Ku band capacity with footprint over India only, to enable to uplink all such channels on such DTH platforms. This will also allow all DTH operators to provide all channels to their consumers. Also due to lack of Open Sky policy in Ku band, DTH platforms are restricted to provide limited value added services, and an immersive interactive service is very difficult to provide. Open Sky policy for

DTH will unlock such value added services and enable viewers to consume such immersive and interactive content.

Q8. What are the operational issues and bottlenecks in the current policy framework related to –

(iii) Teleport services

(iv) DTH service

How these issues can be simplified and expedited? Give your comments with justification.

BIF RESPONSE

Response already provided in response to Q6

Q9. What are the specific issues affecting ease of doing business in cable TV sector? What modifications are required to be made in the extant framework to address these issues? Give your comments with justification.

BIF RESPONSE

The issues affecting Ease of doing Business in the Cable TV Sector are :

1. Registration of LCOs: As per current Cable Rules, present duration of Registration of Cable TV operator is only One Year with provision of renewal on an yearly basis. Duration of one year is grossly inadequate for long term investment and business plans
2. Right of Way: Cable Operators have not been able to get easy access to public places for laying cables for expanding their business. Since Cable Operators don't fall under the Scope of the UL licencees who are covered under the RoW rules announced by DOT in November'16, hence they are subject to the vagaries of the different charges levied by the local authorities and the delay caused due to multiplicity of agencies involved in grant of RoW clearance.
3. Centralized Collation and maintenance of Data on LCOs – It's a sad irony that there's even in the digital age in this age of digitisation there is no centrally available data on the number of LCOs in the country which needs to be addressed to immediately to take care of issues such as quality of service, monitoring of illegal channels transmitted by cable operators, calculation of taxes - both direct and indirect, regulations of programming and advertising codes among others.

BIF recommends that Registration process of LCO needs to be revamped to make it business friendly. Accessing RoW is a major issue faced by Cable Operators for providing Broadband services. It is imperative that Cable TV operators be covered under the provisions of the CTN Act for grant of RoW to Cable Operators and empowers MIB to lay down appropriate guidelines to enable States to put in place appropriate mechanism for speedy clearance of requests from Cable Operators for grant of RoW.

Q10. Is there a need to increase validity of LCO registration from one year? In your view, what should be the validity of LCO registration? Give your comments with justification.

BIF RESPONSE

YES –there is a need to increase the validity of LCO registration to at least 5 years in alignment to TRAI Recommendations on “Restructuring of Cable TV Services “issued on 25th July, 2008 with renewal provisions thereafter. This is because the duration of one year is grossly inadequate for making a long term investment and business plans by cable operator.

Q11. What are the issues in the extant policy guidelines that are affecting the ease of doing business in FM sector? What changes and modifications are required to address these issues? Give your comments with justification.

BIF RESPONSE

Successful FM licensees have to seek multiple clearances from WPC which need to be simplified with clear cut timelines

Q12. Is there a need to streamline the process of assignment of frequency by WPC and clearances from NOCC to enhance ease of doing business? What changes do you suggest and why?

BIF RESPONSE

Yes. Broadcasters are facing huge difficulties for allocation/assignment of Broadcast frequencies by WPC. WPC has been adopting a 6 monthly window system for assignment of Broadcast frequencies after Hon’ble SC verdict in the 2G matter in 2012. In case permission is delayed beyond 6 months, the Service Provider will have to wait for getting frequency assignment when WPC window opens again. Such an adhoc arrangement is certainly not in tune with the principles of Ease of doing Business.

Therefore, as already stated above, in light of the verdict on the 2G case by the Hon'ble Supreme Court regarding allocation of natural resources there is considerable uncertainty in getting WPC approvals in time even though there is no correlation between spectrum used by satellite broadcast and telecom industries respectively. This results in broadcasters' applications for new satellite approvals getting struck at the level of WPC for almost 6-8 months. DoT should ideally seek necessary clarification from the Hon'ble SC to make a clear cut difference between spectrum used for telecom and broadcasting Sector, as the latter can be termed as captive users.

Q13. What are the reasons for delay for allocation of frequencies by WPC? What changes do you suggest to streamline the process? Give your comments with justification.

BIF RESPONSE

The reasons for delay in allocation of frequencies by WPC have been enumerated in response to Q12 above.

Q14. What are the key issues affecting the indigenous manufacturing of various broadcasting equipments and systems. How these issues can be addressed?

BIF RESPONSE

1. Lack of adequate indigenous manufacturing of Broadcast equipment and STBs despite there being a huge market opportunity
2. Integration of CAS remains the main stumbling block of STB manufacturers

Q15. Is there any other issue which will be relevant to ease of doing business in broadcasting sector? Give your suggestions with justification.

BIF RESPONSE

Manual Process of clearances by individual departments' viz. WPC & NOCC leads to delay as no specific timelines are prescribed for such clearances. Also in some cases, service providers are required to approach WPC & NOCC separately when they are part of the same department viz. DOT. Also both charge substantial fees separately eg. WPC could be charging up to Rs. 90,000/Mhz /p.a while NOCC could be charging up to Rs. 60,000/Mhz /p.a. The Fee Structure requires Urgent Review & Rationalisation.

The broadcast industry has been undergoing tremendous changes in view of the evolution of new technologies, new digital platforms and new business models is taking place, whereas the extant guidelines remain static. This not only results in inefficient use of resources but undermines the growth potential of the sector. The extant guidelines need to be revisited to encourage innovation and adoption of new technologies such as UHD, Cloud, IP based transport in studios and broadcast facilities and software defined broadcasting etc.

Value added services such as red button services on satellite TV channels should be permitted without the requirement that permission for a new channel be taken. Value added services enhance the viewer experience. With the advent of OTT platforms, provision of such services help keep satellite TV channels relevant at an economical cost.

Under the DTH guidelines, a broadcaster cannot own more than 20% of a DPO. Domestic broadcasters can today avoid this requirement through corporate structures which foreign broadcasters cannot do. To ensure a level playing field for foreign and domestic broadcasters and to enhance competition by increasing the number of players in the market, this requirement should be done away with. The situation is further skewed as distribution platforms such as DTH are allowed to run their own channels without registering with the Central Government but broadcasters cannot have a stake of more than 20% in DPOs. Thus, an uneven field exists presently which should be remedied in consonance with Government's goal to increase investments.

While obtaining permission for new TV channels security clearance of directors/key personnel by MHA is required. Further in case of a change of directors/key personnel of a broadcaster, prior permission of MIB is required and MIB in turns grants permission only after the MHA grants a security clearance. Often there are delays in such process leading to uncertainty in business planning and non-compliance with other statutory requirements. Such additional security clearances, especially without any set timelines, hinder the business as broadcasting entities.

Optimize usage of Spectrum:

A new generation modulation technology such as NS3 / NS4 is now available which enables higher data rates on the same 36MHz transponder of a satellite. Use of such technology will allow optimizing of existing satellite bandwidth and reduce the satellite capacity crunch for Occasional Usage (OU) of satellite capacity. Fast tracking of regulatory clearances will help speed up implementation of such technologies and use limited satellite transponder capacity more efficiently.

Return path bandwidth or “Freeband”:

Freeband is a technology where the satellite bandwidth capacity used for channel transmission over the entire transponder can be used for a return contribution feed from the venue on the same satellite transponder capacity simultaneously. This requires a specialized and combined modulator – demodulator at the transmission teleport. Such technology implementation can greatly optimize the use of transmission satellite capacity to be simultaneously used for OU usage. Regulatory adaptation to such technologies and hence changes in the process and fast tracking such clearances is required for adoption of such a technologies. This requires approval to operate the uplink of the contribution feed from the venue on the same frequency for which approval is received to transmit TV channels from a teleport.

Addressing Rouge Carrier problem:

Broadcasters take approval from WPC & NOCC to uplink their channels on specific frequency from a specific teleport on C-band. C-band is used as it has the highest availability and is fairly robust and largely unaffected by weather conditions unlike Ku band. Since the Broadcasters TV channels are delivered to all DTH / HITS / Cable platforms, the high availability has to be maintained for which the carrier parameters have to be maintained to get the best carrier to noise margins. However, due to incidents of “rouge carrier” uplink the broadcasters authorized frequency uplink is seriously affected which leads to blackout of broadcaster’s signals till the rouge carrier exists. Rouge carriers are uplink carriers uplinked by unknown entities on the same frequency and the transponder for which the broadcaster has the approvals. These rouge carriers may be due to accidental radiation or purposeful radiation with higher uplink power than what is approved to the broadcaster thus overwhelming the broadcasters uplink carrier. It is requested that the WPC and NOCC departments should actively look into such issues when presented by the broadcaster with evidence and identify such sources of rouge carriers and define regulation to penalize such sources of rouge carriers and even forfeit the licenses of such uplinkers if proved guilty of purposeful disruption. The broadcaster pays annual fees to WPC for use of these frequencies which are approved by WPC, hence it is only due that WPC should devise means to track such rouge carrier sources and take corrective actions

Indigenous manufacture of broadcast equipments:

1. Manufacturing of flat screen LED HD and UHD TVs indigenously should be encouraged for three reasons –

- To make flat screen LED HD and UHD TVs available at competitive costs
 - To reduce the use of CRT based TVs which will contribute towards decrease in carbon footprint.
 - Create base for local manufacturing.
2. The flat screen HD and UHD TVs should have international standards along with content copy protection standards defined in line with international standards.
 3. Also standards for HD STBs should be redefined separately for FTA STBs and Pay STBs to strictly support anti – piracy measures such as forensic unique identification of the STB as well as content copy protection on its various output ports. This will allow technology upgrades and also be in line with global growth and global standards. This will assist the broadcasters to reduce their revenue leakages due to illegal copy and redistribution of content which have to be acquired at premium costs. If such standards are adopted the overall revenue growth may see improvements which will benefit all stake holders in cable and satellite television value chain.

Also, in order to support varying business needs and consumer experience, MIB should consider permitting issuance of short term / temporary channel licenses, specifically to cater the need of broadcasting multiple feeds of the same live event (such as a sporting event in various languages) as well as assuring audiences availability of overlapping live events (including events of national importance).

Q16. Are there any issues in conducting trial projects to assess suitability of a new technology in broadcasting sector? Give your comments with justification.

BIF RESPONSE

Yes. In current scenario, carrying out technology trials with an objective to understand new technologies for assessing their potential and suitability for adoption in the Indian context is not facilitated by the current policy and regulatory framework. This is because the current broadcast networks operate under a regulatory framework where there are too many permissions required by too many agencies. Besides the applicants have to fulfill various eligibility criteria, pay requisite fees and guarantees as prescribed in the respective licensing guidelines. There is no provision in the extant Policy & Regulatory Framework to cater to any entity which is interested to carry out a trial for testing and introducing a new Broadcast technology.

Q17. What should the policy framework and process for consideration and approval of such trial projects?

BIF RESPONSE

There should be separate provision in the Policy framework that encourages innovation and adoption of new technologies and overall development of the ecosystem that will foster development & adoption of new technologies in the sector

Q18. Stakeholders may also provide their comments with justification on any other issue relevant to the present consultation paper.

BIF RESPONSE

All over the world, Media, Internet, Data and Voice are increasingly licensed, managed and controlled by a single entity (e.g. USA, Singapore) since it is now recognised that all of these do not have strict boundaries any longer. Also, communication media from Satellite to Fiber to WiFi can handle all kinds of services and information. Today, multiple bodies control different aspects of licensing, operation and compliance, which makes it practically impossible to operate multiple services or services in small scale, due to the need to have full-time people applying and complying. It is suggested that the govt. look at how the new converged services are being treated in advanced countries, so as to utilise the best international practices. One needs a central authority that would regulate all digital activities, and bring under it the powers now exercised by many and confusing authorities. This is essential if the idea of Digital India (which is still mostly an idea) has to become a reality.

BIF wishes to list some other issues which are contained in the attachment-Appendix One (which was submitted earlier in response to the Pre-Consultation Paper)

Those contain generic issues pertaining to the use of Satellite for Broadband penetration and Digital India, besides how to make Cable Broadband inclusive to broadband penetration and also a very important but neglected component of the Broadcasting Sector i.e. Digital Terrestrial Broadcasting and how the Broadcasting spectrum can be utilized for broadband penetration and particularly to Rural India