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TELECOM REGULATORY AUTHORITY OF INDIA

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TRAI provides its recommendations on issues relating to mobile television service

New Delhi, 23rd January, 2008. The Telecom Regulatory Authority of India today sent its

recommendations on issues relating to mobile television service to the Ministry of

Information & Broadcasting. The Ministry had earlier sought the Authority's

recommendations on various issues relating to proposed licensing policy for mobile

television service. The Authority had issued a Consultation Paper on these issues on

September 18, 2007. This was followed up with an Open House Discussion in Delhi on

26th October, 2007. The Authority had also released its draft recommendations for a

second round of short consultation on January 3, 2008.

2. There are broadly two routes for providing mobile television services, viz, one using

the telecom network with spectrum already allotted to UASL/ CMTS licensees, and the

other using broadcasting method using separate spectrum. The Authority is of the view

that telecom operators having CMTS or UASL license will not require any further license

or permission for offering mobile television services on their own network using

spectrum already allotted to them. For providing mobile TV services through

broadcasting method will require separate license. Therefore, these recommendations

now provide for policy guidelines for mobile television operators using broadcast

method. The recommended policy guidelines for such mobile television services cover

technology, spectrum and licensing issues. The major recommendations are as follows:

Technology

• The choice of broadcasting technology should be left to the service provider with

the condition that the technology to be deployed for providing mobile television

should follow a standard approved by a recognized standardization body.

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- In case the handset is provided by the licensee, it should be ensured that if the subscribers desire to migrate to any other licensee using the same technology and standards, they should be able to do so without changing the handsets.
- Licenses for the terrestrial transmission route only should be offered for the time being.

Allocation of Spectrum

- Apart from Doordarshan, private mobile TV operators may be assigned at least 1 slot of 8 MHz each for mobile TV operation in UHF Band V from 585 MHz to 806 MHz. Such spectrum would enable each mobile TV operator to offer about 15 video channels through the terrestrial broadcast route.
- For better utilization of spectrum, the sharing of terrestrial transmission infrastructure of Doordarshan should be permitted on mutual agreement basis in a non-discriminatory manner. Similarly, the mobile TV operators will also be obliged to offer their infrastructure for sharing.
- The licenses for mobile television services should be granted through a Closed Tender System on the basis of One Time Entry Fees (OTEF) quoted by the bidders and the reserve OTEF for a particular license area should be 50% of the highest financial bid submitted for that particular license area.
- Allocation of spectrum to mobile television licensees should be automatic for successful bidders and should not require any further selection process. Such licensees would be required to pay the usual spectrum usage charges, as stipulated by the WPC in consultation with the Ministry of Information & Broadcasting.
- A mobile TV license may be made mandatory for any telecom licensees including UASL/ CMTS licensees, if such licensees wish to use broadcasting technologies for offering mobile television services. For this purpose, any telecom licensees (UASL/ CMTS or any other licensees) satisfying eligibility conditions would be permitted to participate in the bidding process, like any other eligible company.

Licensing Issues

• There should be a new class of service providers for provision of mobile television services using broadcasting technologies.

• A state should be the license area for a mobile television terrestrial service license.

Some of the smaller states can be combined to form an appropriate license area in

order to enable financially and operationally viable model.

• The general disqualifications which have been adopted for Private FM Radio may

be used for mobile television service also.

• The composite foreign investment limit including FDI of 74% for mobile television

service has been recommended by the Authority.

• The tenure of mobile television licenses should be for 10 years. The tenure of the

license should be automatically extended for a further period of 10 years at the

option of the licensee with payment of additional fee.

• The Licensee should not either directly or indirectly assign or transfer its rights

under the license in any manner to any other party except with prior approval of the

Ministry of Information & Broadcasting.

• The license fee should be charged @ 4% of Gross Revenue for each year or @ 10%

of the Reserve One Time Entry Fee limit for the concerned license area, whichever

is higher.

• Any mobile television licensee should not allow any broadcasting company or

group of broadcasting companies to collectively hold or own more than 20% of the

total paid up equity in its company at any time during the License period.

3. It is felt that with the advent of mobile television services in the country, the

consumers will get more choice in watching television in terms of what they watch, how

they watch and when they watch. For full details please see www.trai.gov.in

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