



**TELECOM REGULATORY AUTHORITY OF INDIA  
CN DIVISION**

**POSITION PAPER  
ON  
PROVISIONING OF IPTV SERVICES**

**6<sup>th</sup> September, 2007**

**Mahanagar Doorsanchar Bhavan**

**Jawahar Lal Nehru Marg**

**New Delhi-110002**

## **INDEX**

	<b>Preface</b>	<b>3</b>
<b>Chapter 1</b>	<b>(Internet Protocol Television (IPTV))</b>	<b>5</b>
<b>Chapter 2</b>	<b>IPTV- Operational Details</b>	<b>8</b>
<b>Chapter 3</b>	<b>IPTV- Regulatory Issues</b>	<b>12</b>
<b>Annexure-I</b>	<b>Cable Television Network (Regulation) Act 1995</b>	<b>23</b>
<b>Annexure-II</b>	<b>Down-linking Policy</b>	<b>38</b>

## **PREFACE**

The Authority is concerned about promoting various services in telecom sector and to remove impediments to facilitate growth. The provision of Internet Protocol Television (IPTV) has been engaging the attention of the Authority for quite some time. The issue of IPTV came up during discussions on consultation paper on “Convergence and Competition in Broadcasting and Telecommunication” during January 2006. The various issues related with the provisioning of IPTV were examined and a proposed amendment in Cable Television Network (Regulation) Act 1995 was posted on TRAI Website for comments on 6<sup>th</sup> June, 2006. Stakeholders were invited to submit their comments/views.

Comments of the stakeholders were compiled on proposed amendment to Cable Television Networks (Regulation) Act 1995. The Authority discussed the matter with various stakeholders and felt that further analysis needed to be done to address the grey areas for provision of IPTV. Accordingly, the proposed draft modification in the Cable Television Networks (Regulation) Act 1995 was withdrawn.

The Authority analyzed various issues raised during discussion and identified certain grey areas regarding provision of IPTV. A letter highlighting grey areas was sent to Ministry of Telecommunications as well as to Ministry of Information and Broadcasting for their consideration to bring clarity on the issue. Subsequently, a core group was formed by the concerned ministries to look into the issues regarding provision of IPTV and give recommendations.

In the meantime, the whole issue of provisioning of IPTV by telecom operators and cable operators was also deliberated at length in the Authority. It is general understanding that as far as technology is

concerned, IPTV can be provided both by telecom operators if permitted under their respective license and by cable TV operators. The details of the analysis are given in this paper.

In line with the Authority's consultative approach, TRAI has decided to seek comments of the stakeholders on the position paper before deciding future course of action. The written comments are invited by 20<sup>th</sup> September, 2007. For any further clarification on the matter Advisor (CN) may be contacted at [guptask61@gmail.com](mailto:guptask61@gmail.com), Telephone No.23217914, Fax No.23211998.

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# **CHAPTER 1**

## **Internet Protocol Television (IPTV)**

### **1.1 INTRODUCTION**

1.1.1 The Indian telecom service sector has witnessed unprecedented growth in the last 3-4 years. This has been facilitated by appropriate regulation and licensing regime from time to time. We are the third largest telecom network in the world after China and USA with the total subscriber base of 225.22 million at the end of June 2007. On an average about 7 million mobile subscribers are being added every month. These developments are indicative of a maturing telecom market with sound foundation.

1.1.2 Further analysis of telecom scenario also indicates that unprecedented growth in mobile subscribers has reduced average revenue per user (ARPU). Telecom operators feel the need to provide more and more value added services to increase revenue generation.

### **1.2 Internet Protocol Television (IPTV)**

1.2.1 IPTV is becoming a very popular value added service in many countries. This is a new method of delivering and viewing television programmes using an IP network and high speed broadband technology. IPTV is interactive because of availability of return path. Therefore, it is capable of providing Video on Demand (VOD), time shifted television and many other exciting programmes. The subscribers can view TV programs at their convenience using time shifted TV feature. Picture quality of IPTV is also very good due to use of digital

transmission making IPTV very popular. IPTV services were first started in Japan in 2002. However, now they have gained popularity in many other countries like France, South Korea, Germany, Hongkong etc. A California based marketing research firm iSuppli has projected that global IPTV subscribers base will reach 14.5 million in 2007 and will be approximately 63 million by 2010. France is leading in IPTV having more than 1.7 million IPTV viewers as of now.

1.2.2 The growth of IPTV all over the world has created considerable interest among service providers to launch IPTV service on large scale in India also. Therefore various aspects of provisioning of IPTV in our country have to be looked at afresh to facilitate growth of IPTV. IPTV requires Internet Protocol transmission and service infrastructure, which can deliver digital television to the customers. Since the broadband penetration in India was low, the possibility of IPTV becoming popular was also low earlier. With availability of more technologies to provide IPTV, many service providers are now eagerly pursuing IPTV as one of the prospective services to increase the revenue earnings. Therefore all impediments for its provisioning have to be removed in a time bound manner.

1.2.3 As per the available information many service providers have started test runs to launch IPTV services. While IPTV is considered as a good business model for telecom operators, cable industry views launch of IPTV by telecom operators as an encroachment into their area of operation and a threat to their business model. Considering convergence and technology neutrality, the issue of IPTV has to be deliberated impartially to facilitate growth and competition.

- 1.2.4 The T.V. transmission through cable in most parts of India is still in analog form. Though certain areas have already been identified and Conditional Access System (CAS) has been implemented facilitating transmission of TV signals in digital form, there are no guidelines at present for compulsory conversion of TV transmission from analog to digital form in non-CAS areas. Since IPTV delivers TV channels in digital form, the quality of TV viewing is expected to be much better as compared to analog transmission giving rise to greater acceptability among customers and leading to higher growth. One of the reasons for the present slow growth is attributed to regulatory grey areas, which has so far affected launch of IPTV on mass scale.
- 1.2.5 The phenomenon of “Convergence” is the driver in the triad-technology market and policy. In span of about 12 years, radical advances in technology, market institutions, forward looking government policies and regulatory policy backed with sinews of competition have transformed telecommunication sector. Needless to say, it is necessary on a continuous basis to encourage regulatory framework that foster innovation, investment and affordable access. Any forward looking analysis in the context of ongoing convergence must be technologically neutral, given the type of dynamic changes that may result from future delivery of services based on different technologies.
- 1.2.6 This paper attempts to analyse various methods to provide IPTV and the associated regulatory issues with the objective of bringing clarity on various regulatory provisions and licensing requirements to encourage stakeholders to launch IPTV services as and when they so desire.

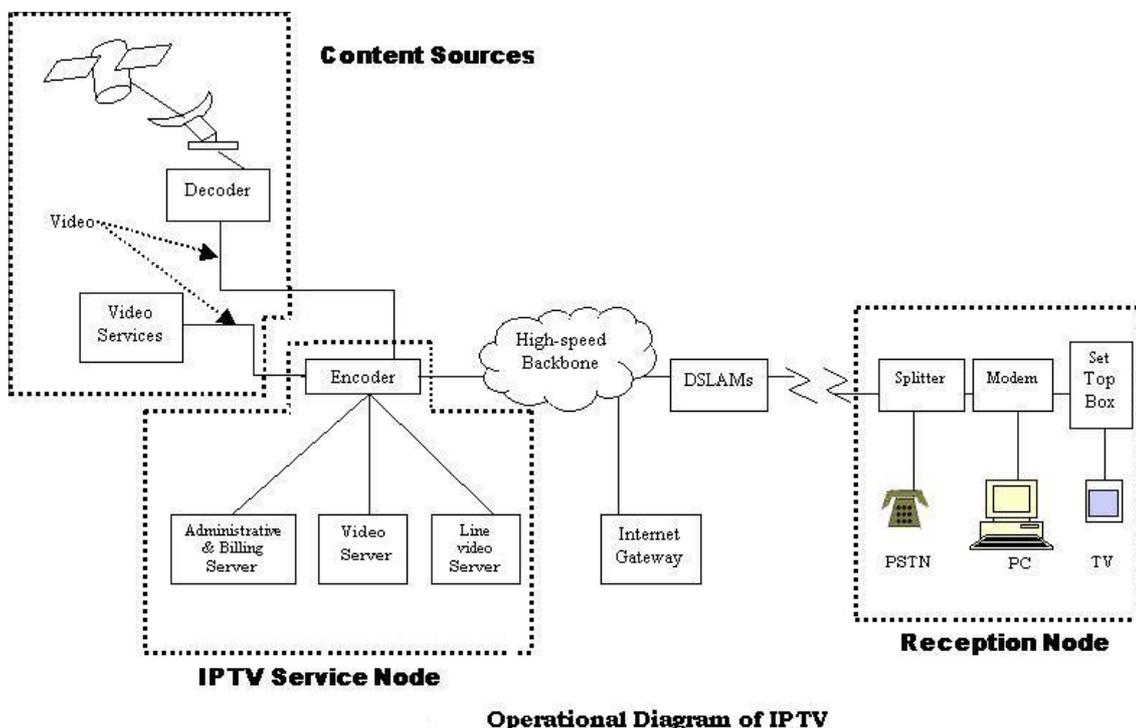
## CHAPTER 2

### Operations of IPTV Network

2.1 IPTV is an operator driven and controlled platform in which the consumer directly interacts with equipments installed by operator in closed user group. IPTV system delivers digital television service using Internet Protocol (IP) over various access technologies i.e. broadband connection based on copper loop, optical fiber, wireless technologies etc. IPTV platform can also provide services like Video on Demand (VoD), Live Video and gaming etc. As IPTV, Internet and voice are going to be on same bundled connection, it is often termed as triple play service.

#### 2.2 Architecture of IPTV operation in telecom network :

Figure 1 below illustrates the basic components of a typical IPTV operational setup.



**i) Encoding:** The IPTV encoder receives video streams in different formats from different sources. Typically the videos are received from either broadcasters using satellite receptions or from stand-alone video content producers. The IPTV providers can also create their own video content. These video streams, are then re-formatted and encapsulated for further transmission using Internet Protocol with appropriate Quality of Service (QoS). This makes it ready for delivery to customers. The combination of IPTV encoder, Administrative & Billing Server, VoD server and Live Video server is collectively known as **IPTV Service Platform**. The Customers interact with administrative and billing server for authorization and subsequent delivery of various IPTV channels, video-on-demand (VoD) and other live contents based on package selected.

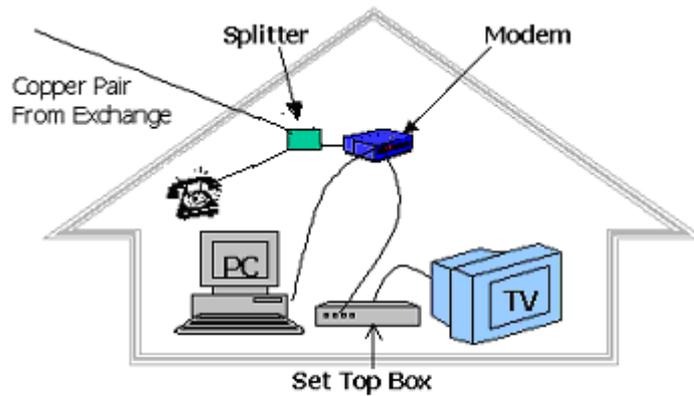
IPTV service can provide Live TV after code conversion and encryption, time shifted TV and VoD. Typically, the live video content is delivered in Moving Pictures Expert Group Version-2 (MPEG-2) format using IP multicast. This is a method in which information can be sent to multiple computers simultaneously. Newly released H.264 format is pre-designed to replace the older MPEG-2. In standard-based IPTV systems, Internet Group Management Protocol (IGMP) and Real Time Streaming Protocol (RTSP) are used. Here, IGMP version 2 is used for channel change, signaling etc for Live TV viewing and RTSP is used for stored services like VoD.

**ii) Digital Subscriber Line Access Multiplexer (DSLAMs):** DSLAM is an equipment used to deliver high-speed IP packets over Copper loop media to the subscriber in telecom network. The various video contents after getting encoded as per Internet Protocol are handed over to DSLAM, if such signals are to be delivered to the subscribers using telephone local loop copper

line. These DSLAMs can either be co-located with the IPTV service node (normally called Headend) or can be located far away and connected using high-speed backbone network. The DSLAMs receive voice signal from MDF of exchange for voice call and video signal from IPTV Headend, combine them and send it on copper loops to the subscriber premises using telephone network.

**iii) Wide Area Network:** The Wide Area Network (WAN) is a delivery mechanism to deliver the content to the subscribers. This delivery system is necessary for the reliable and timely distribution of IPTV data streams from the service nodes to the customer premises. WAN can use high-speed DSL technologies such as ADSL 2+, VDSL using existing copper loop to the homes. There are some options available such as Fiber to the Curb (FTTC) and wireless. IP services through WAN ensures the QoS demand by ensuring availability of guaranteed bandwidth, packet delay and other similar parameters.

**iv) Reception Mechanism:** In DSL mechanism to deliver data, signals are carried over copper loop. At subscriber premises copper loop is connected to splitter first, which separates the voice & data. The other end of the splitter is connected to a device called multi port modem also known as Customer Premises Equipment (CPE). A personal computer (PC) & set-top box can be simultaneously connected with the CPE on different ports to receive Internet and IPTV respectively. For IPTV reception TV is directly connected to the set top box. This is depicted in fig. 2



Functions of Splitter , Modem and Set Top Box may be combined in a box.

Fig. 2

The set top box processes the received signal and delivers it to TV in compatible form. The interaction with central administrative and billing server, as well as DSLAM to select an IPTV channel is done by set-top box. IPTV viewers will have full control over functionality such as rewind, fast-forward, pause and so on by interacting with the video server for non-live programs. Various applications like Time shifted TV, video gaming etc are possible using IPTV platform.

## **CHAPTER 3**

### **Regulatory Issues**

- 3.1 IPTV is provision of television signal using Internet Protocol for transmission of signals to the subscribers. Since telecom service providers having UASL license are permitted to provide triple play services, the question was being raised time and again whether these operators needed any other regulatory clearances to provide IPTV to their subscribers.
- 3.2 The issue of IPTV came up for discussion during consultation process on consultation paper on “Convergence and Competition in Broadcasting in Telecommunication” issued on 2<sup>nd</sup> January, 2006. It was argued by one school of thought that IPTV is a closed transmission path designed to provide cable TV services, and hence IPTV should be governed by the provisions of ‘Cable Television Network (Regulation) Act 1995’. It was further pointed out that there will be certain grey areas if IPTV services are governed by the existing Cable Television Network (Regulation) Act, 1995. The issues are: -
- i) Technological requirement of IPTV to deliver content through a STB leads to non-compliance with the requirement of Section 4A of Cable Television Networks (Regulation) Act, 1995 about Free-To-Air channels not needing an addressable system in CAS notified areas.
  - ii) Use of different protocols by different companies and lack of standardization for IPTV services may violate the requirement of Section 9 of Cable Television Networks (Regulation) Act, 1995 about use of equipment conforming to Indian Standards.
  - iii) Applicability of FDI norms, downlinking guidelines and

programme codes on a unified access licensees licensed under Telegraph Act providing IPTV services with same content as Cable TV needs clarification.

3.4 The first two issues are pertinent only when it is assumed that IPTV service constitutes cable services and is covered under the ambit of Cable Television Network (Regulation) Act 1995. In order to understand its applicability, it is important to examine various definitions given in this Act.

3.5 “Cable Television Network” means any system consisting of a set of closed transmission paths and associated signal generation, control and distribution equipment, designed to provide cable service for reception by multiple subscribers.

3.6 “Cable Services” means the transmission by cables of programmes including re-transmission by cables of any broadcast television signals.

3.7 “Programme” means any television broadcast and includes:-

- i) exhibition of films, features, dramas, advertisements and serials through video cassette recorders or video cassette players;
- ii) any audio or visual or audio-visual live performance or presentation.

3.8 “Company” means a company as defined in section 3 of the Companies Act, 1956.

3.9 “Person” means:

- i) an individual who is a citizen of India;
- ii) an association of individuals or body of individuals,

whether incorporated or not, whose members are citizens of India;

iii) a company in which not less than fifty one per cent of the paid up share capital is held by the citizens of India.

3.10 As has been discussed in Chapter 2, IPTV network consists of closed transmission paths and associated signals. However, network setup by UASL is designed to provide telecom services and not a cable service. IPTV service can be delivered using Telecom Network local loop, optical fiber or wireless media. Hence delivery of IPTV signal under UASL is not restricted to telecom local loop but also includes wireless media, Optical fiber etc. When the issue is to determine whether IPTV is a “Cable Service” or not, it will defy logic if it is said that IPTV delivered through wireline using telecom local loop would be a cable service but the same IPTV delivered through wireless is not a cable service. Indeed there may be situation where the IPTV service provider delivers IPTV service to subscribers’ home using a combination of wire and wireless media. Hence delivery of such signals cannot be termed uniformly as delivery through cable. Therefore IPTV service provided by telecom operators is not the same as “cable service”.

3.11 Secondly, the cable Television network is defined as one “.. designed to provide cable services for reception by multiple subscribers”. In IPTV, subscribers communicate individually to the central equipment as well as DSLAM. The individual local loop carries individual TV signal for individual subscriber. That is to say, the telecom local loop carries, at a time, only one TV channel which has been “pulled” out by individual subscriber from IP TV server or DSLAM on “One-to-one” basis, as against the conventional cable TV network

which carries all the channels at any time because these channels have been “Pushed” by the local cable operator into the cable TV network on “One-to-many” basis by multiple subscribers. Therefore the telecom network is designed to deliver TV signal to individual subscriber and not for multiple subscribers. Hence, again IPTV is not a Cable Television Network service. This is amply clear from figures 3(a) and 3(b) given below.

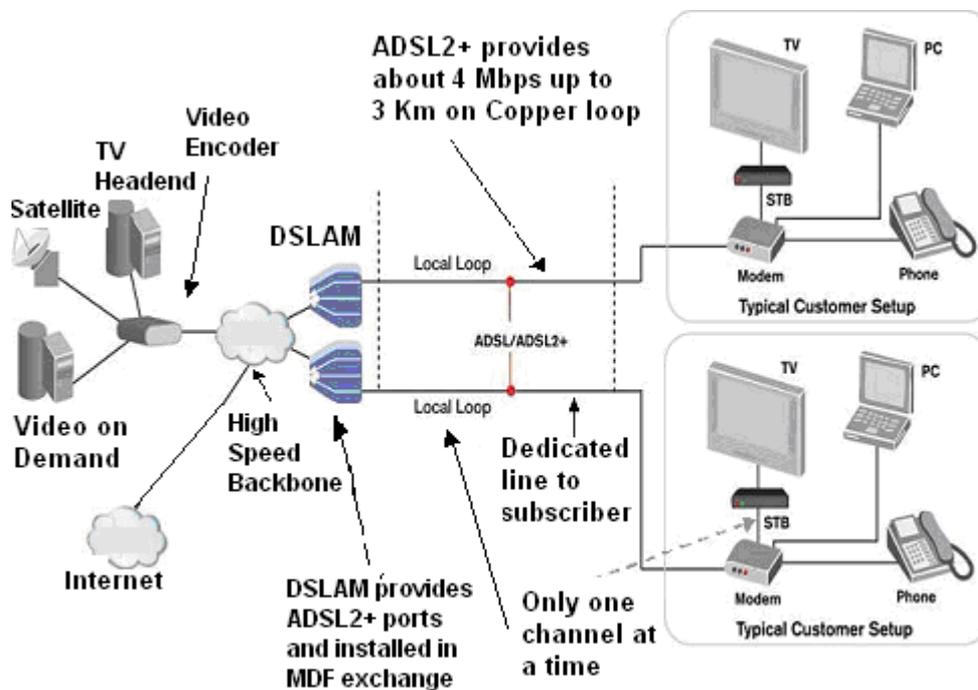


Diagram 3(a.1): Internet Protocol Television over DSL

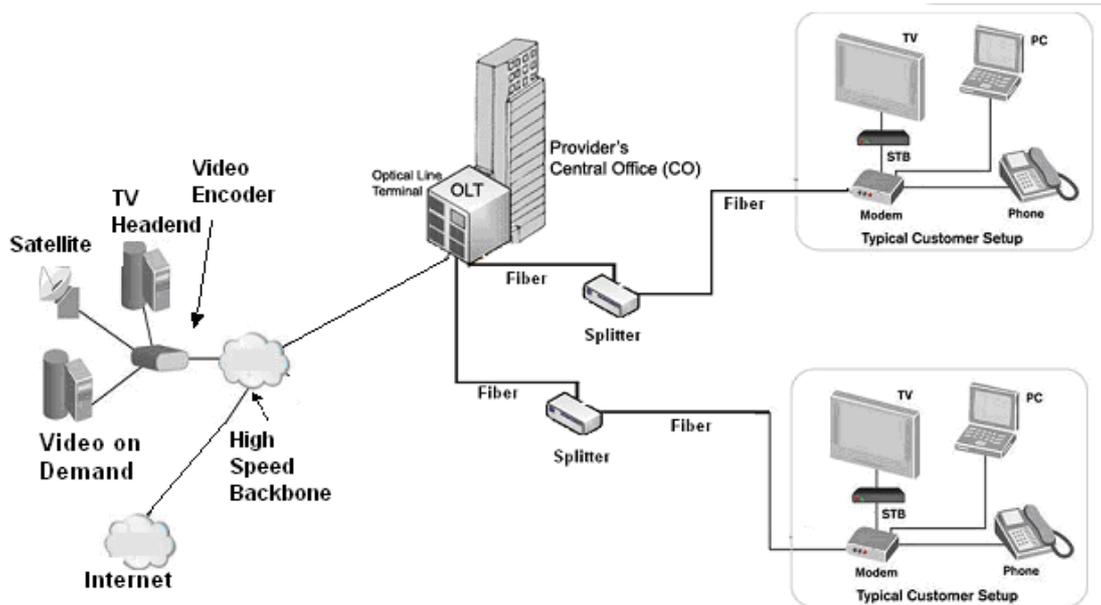


Diagram 3(a.2): Internet Protocol Television over Fiber

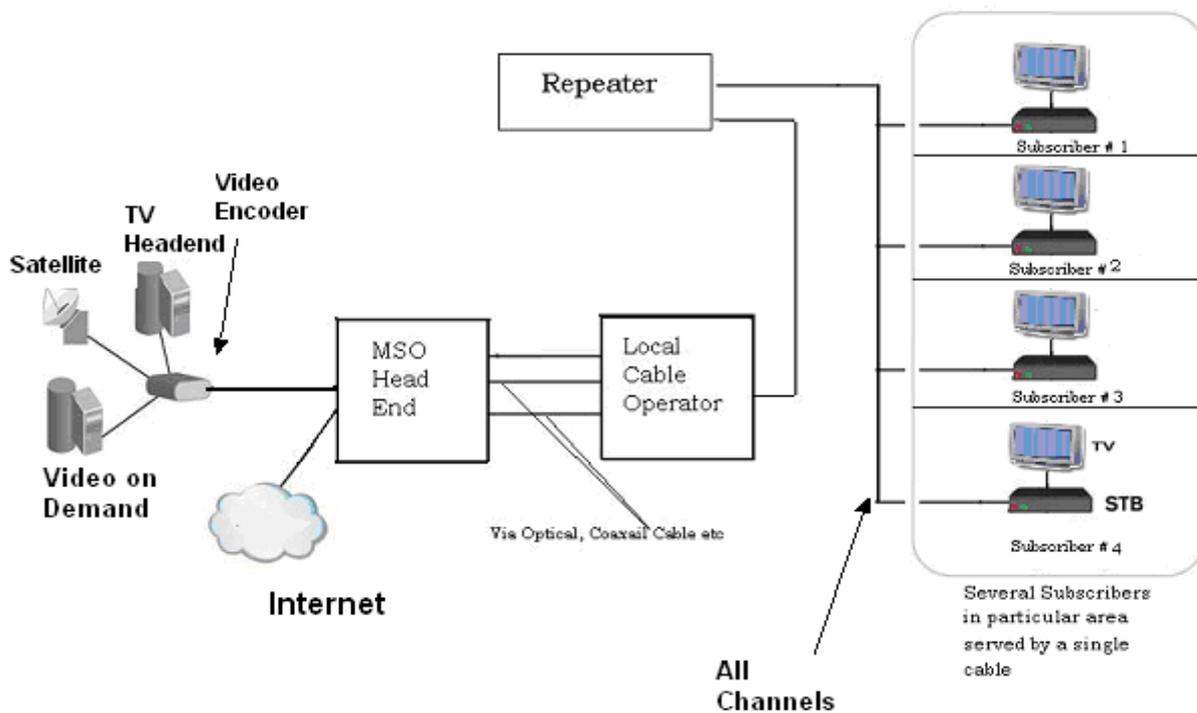


Diagram 3(b) : Traditional Cable TV service Network

3.12 Further analysis of the cable networks and IPTV networks will indicate that both the structures are grossly different. In case of cable network, all the channels are pushed to the subscriber premises and are available at set top box (STB) and can be viewed based on the authorization given to the subscriber as per his choice available on the magnetic viewing card. It is a one-way communication and such privileges are based on viewing card available in the set top box. All channels are available in encrypted form at set top box even if it is not switched on. The scenario in case of IPTV is completely different. As soon as STB is switched on, it talks to central administration and billing server and receive authorization as per the preferences given by the subscriber. Such authorization details remain with STB till it is kept switched on. The TV signals are available at different points in the network based on the medium used to provide IP TV. In case of DSLAM, TV channels are generally available up to DSLAM level. However in case of optical fiber media, it can be available up to Set top box also but only those TV channels are accessible which are permitted as per authorization. Based on this authorization, it can fetch TV signals either from DSLAM or any other point in the networks. Since in this technology authorization information and channel are pulled from network, it is also called as pull type technology which first request for authorization privileges based on which TV channels can be viewed. The above discussions clearly indicate that IPTV networks are two-way interactive networks in contrast to cable TV, which is one way.

3.13 Let us now consider the delivery of channels in IPTV technology. The specific channel in this technology is transmitted on a dedicated line to individual subscriber, which is displayed on his TV. Effectively such networks cater for

individual subscribers request through dedicated telephone local loop and such programmes are not received simultaneously by the multiple subscribers on single telephone local loop.

3.14 The methodology of providing particular service is also important and requires examination while assigning applicability of Cable Television Networks (Regulation) Act 1995. This regulation applies to provision of TV signals using cable television network. IPTV when provided using telecom network is different than the services envisaged under Cable Television Network (Regulation) Act 1995. In fact cable services and IPTV services are two different services and are in different spheres altogether.

3.15 From the above discussion it can be inferred that Cable Television Networks (Regulation) Act 1995 does not apply to provision of IPTV services through telecom network and has to be regulated under appropriate license of service provider under Indian Telegraph Act 1885. However, such services can be provided by the telecom service providers if permitted under their license.

3.16 Generally, the cable TV operators provide live feed of all the channels up to subscriber premises and subscribers can select the required channel in addressable mode. Only for this service, which is provided at present, Internet protocol is not necessary. In case the cable operators want to provide Video on demand (VoD), time shifted TV, and other interactive services, then only they may be required to build IP TV setup. The provision of TV signals using Internet Protocol on cable network is not prohibited. Any cable operator, if so desires can always provide cable TV Service using Internet Protocol in his network without requiring any telecom license, as his

registration under “Cable Television Network (Regulation) Act 1995” permits him to provide cable TV service but does not regulate the technology for providing such services.

3.17 IP TV service is neutral of access network. It can be provided by the telecom operators using telecom network as well as cable operators using cable network. The carriage of IPTV, if it is carried and delivered by a telecom service provider, will have to be regulated under appropriate telecom license and if it is carried and delivered by a cable TV operator, then it will have to be regulated under cable Television Network (Regulation) Act 1995.

3.18 We now come to an important issue relating to regulation of content. As far as the cable operator is concerned, he is bound by the provisions of clauses 5 and 6 of the Cable Act, which relate to program code and advertisement code. However, since IPTV service provider may not be covered by Cable Act as already discussed, and since neither the Telegraph Act nor licensing conditions of UASL/ CMTS prescribe any thing regarding content regulation, it becomes necessary to have appropriate formulation in place in this regard. It is important to mention here that IPTV provider can get channels only from broadcasters. Broadcasters are already bound by the up-linking/ down-linking guidelines. Therefore as long as such IPTV operators show only those channels which already have up-linking/ down-linking permission there will be no issue relating to the content, specially related with IPTV provider. In order to ensure that unregulated content are not shown by IPTV operators, following provision will have to be specified in appropriate telecom licenses.

3.18.1 Telecom licensees while providing broadcast TV channels through IPTV, shall do so for only such channels which have

received up-linking/down-linking permission from Government of India (Ministry of Information and Broadcasting). In such cases, the responsibility to ensure that content is in accordance with the extant laws rules, regulations etc shall be that of the broadcaster and telecom licensee will not be held responsible.

3.18.2 In all other cases of video feed other than broadcast TV Channels referred to in 3.18.1 above, the telecom licensee shall be responsible for observing program code and advertisement code and such program code and advertisement code shall be the same as provided in Cable Act and Rules thereunder.

3.19 Concerns have also been raised whether telecom service providers where FDI/equity CAP is 74% can provide IPTV service. These concerns are due to fact that as per understanding of cable operators IPTV service is covered under the ambit of Cable Television Regulation (Act) 1995 where maximum FDI/equity CAP permitted for cable operators is upto 49%. We have already deliberated in this chapter that provision of IPTV services by telecom operators using telecom network does not fall within ambit of Cable Television Networks (Regulation) Act, 1995 and therefore, provision of this act will not be applicable to telecom operators' as long as their own license permits them to provide triple play service.

3.20 Concerns have also been raised that as per the provisions of policy guidelines for down-linking of television channels the broadcasters can provide Satellite Television Channel signal reception decoders only to MSOs/Cable Operators registered under the Cable Television Networks (Regulation) Act 1995 or to a DTH operators registered under the DTH guidelines issued by Government of India. Therefore, if IPTV is not a cable

service, then such signals cannot be provided by the broadcasters to IPTV service providers. The clause No.5.6 is reproduced below:

**“The applicant company shall provide Satellite Television Channel signal reception decoders only to MSOs/Cable Operators registered under the Cable Television Networks (Regulation) Act 1995 or to a DTH operators registered under the DTH guidelines issued by Government of India”.**

IPTV services are a technological advancement and perhaps not perceived at the time of issuance of the policy guidelines for down linking of television channels. A suitable modification has to be made in this policy guideline to enable IPTV service providers to get signals from broadcasters for provision of IPTV service. Telecom operators permitted under their license to provide triple play services can get signals from broadcasters only when provision of clause 5.6 is suitably modified. Ministry of Information and Broadcasting may take necessary action in this regard so that IPTV service providers can get TV channel feeds to provide IPTV service. Once this is done, then IPTV service providers would be entitled to receive content from broadcasters on “non-discriminatory” basis, as already provided under clause 3.2 of Interconnection Regulations.

- 3.21 The pricing, quality of service and tariff issues needs to be handled separately under the respective licensing regimes. This clarification will be important to clear the doubts regarding implementation of IPTV services by different stakeholders. This will facilitate provision of IPTV service and encourage competition, which will ultimately benefit the consumers.

3.22 **Conclusion:**

3.22.1 The discussions in the paper can be summarized with following observations:

3.22.1.1 Both telecom service providers having license to provide triple play services under Telegraph Act and cable TV operators registered under Cable Television Network (Regulation) Act 1995 can provide IP TV service without requiring any further license or registration.

3.22.1.2 The IP TV content will be regulated in the manner provided in para 3.18 earlier.

3.22.1.3 The down linking guidelines have to be suitably modified to permit broadcasters / content providers to provide their content to IP TV service providers also.

3.22.1.4 Any breach of the provisions of Act/ License/ Registration/ Permission by telecom service provider/ cable operator/ Broadcasters shall be dealt with by designated agencies which are responsible for administering such Acts/ License/ Registration/ Permissions.

**Cable Television Network (Regulation) Act 1995**

[Act No. 7 of Year 1995, dated 25-3-1995]

**(as amended upto 31.10.2006)**

Promulgated by the President in the Forty-fifth Year of the Republic of India.

An Act to regulate the operation of cable television networks in the country and for matters connected therewith or incidental thereto.

Be it enacted by Parliament in the Forty-sixth year of the Republic of India as follows: -

**CHAPTER 1:**

**PRELIMINARY**

1. Short title, extent and commencement:
  - (1) This Act may be called the Cable Television Networks (Regulation) Act, 1995.
  - (2) It extends to the whole of India.
  - (3) It shall be deemed to have come into force on the 29th day of September, 1994.
2. Definitions :

In this Act, unless the context otherwise requires,-

  - (a) “authorised officer” means, within his local limits of jurisdiction;-
    - (i) a District Magistrate, or

- (ii) a Sub-divisional Magistrate, or
- (iii) a Commissioner of Police,

and includes any other officer notified in the Official Gazette, by the Central Government or the State Government, to be an authorised officer for such local limits of jurisdiction as may be determined by that Government;

- (a) "cable operator" means any person who provides cable service through a cable television network or otherwise controls or is responsible for the management and operation of a cable television network;
- (b) "cable service" means the transmission by cables of programmes including re-transmission by cable of any broadcast television signals;
- (c) "cable television network" means any system consisting of a set of closed transmission paths and associated signal generation, control and distribution equipment, designed to provide cable service for reception by multiple subscribers;
- (d) "company" means a company as defined in section 3 of the Companies Act, 1956 (1 of 1956);
- (e) "person" means-
  - (i) an individual who is a citizen of India;
  - (ii) an association of individuals or body of individuals, whether incorporated or not, whose members are citizen of India;
  - (iii) a company in which not less than fifty-one percent of the paid up share capital is held by the citizens of India;
- (f) "prescribed" means prescribed by rules made under this Act;

(g) "programme" means any television broadcast and includes-

(i) exhibition of films, features, dramas, advertisement and serials through video cassette recorders or video cassette players;

(ii) any audio or visual or audio-visual live performance or presentation, and the expression "programme service" shall be construed accordingly;

(h) "registering authority" means such authority as the Central Government may, by notification in the Official Gazette, specify to perform the functions of the registering authority under this Act;

(i) "subscriber" means a person who receives the signals of cable television network at a place indicated by him to the cable operator, without further transmitting it to any other person.

## **CHAPTER II:**

### **REGULATION OF CABLE TELEVISION NETWORK**

3. Cable television network not to be operated except after registration :-

No person shall operate a cable television network unless he is registered as a cable operator under this Act:

PROVIDED that a person operating a cable television network, immediately before the commencement of this act, may continue to do so for a period of ninety days from such commencement; and if he has made an application for registration as a cable operator under section 4 within the said period, till he is registered under that section or the registering authority refuses to grant registration to him under that section.

4. Registration as cable operator :-

- (1) Any person who is operating or is desirous of operating a cable television network may apply for registration as a cable operator to the registering authority.
- (2) An application under sub-section (1) shall be made in such form and be accompanied by such fees as may be prescribed.
- (3) On receipt of the application, the registering authority shall satisfy itself that the applicant has furnished all the required information and on being so satisfied, register the applicant as a cable operator and grant to him a certificate of such registration:

PROVIDED that the registering authority may, for reasons to be recorded in writing and communicated to the applicant, refuse to grant registration to him if it is satisfied that he does not fulfil the conditions specified in clause (e) of section 2.

4A. Transmission of programmes through addressable systems:-  
Where the Central Government is satisfied that it is necessary in the public interest so to do, it may, by notification in the Official Gazette, make it obligatory for every cable operator to transmit or retransmit programme of any pay channel through an addressable system with effect from such date as may be specified in the notification and different dates may be specified for different States, cities, towns or areas, as the case may be.

- (2) If the Central Government is satisfied that it is necessary in the public interest so to do, it may, by notification in the Official Gazette, specify one or more free-to-air channels to be included in the package of channels forming basic service tier and any or more such channels may be specified, in the notification, genre-wise for providing a programme mix of entertainment, information, education and such other programmes.

- (3) The Central Government may specify in the notification referred to in sub-section (2) , the number of free-to-air channels to be included in the package of channels forming basic service tier for the purposes of that sub-section and different numbers may be specified for different States, cities, towns or areas, as the case may be.
- (4) If the Central Government is satisfied that it is necessary in the public interest so to do, it may, by notification in the Official Gazette, specify the maximum amount which a cable operator may demand from the subscriber for receiving the programmes transmitted in the basic service tier provided by such cable operator.
- (5) Notwithstanding anything-contained in sub-section (4), the Central Government may, for the purposes of that sub-section, specify in the notification referred to in that sub-section different maximum amounts for different States, cities, towns or areas, as the case may be.
- (6) Notwithstanding anything contained in this section, programmes of basic service tier shall be receivable by any subscriber on the receiver set of a type existing immediately before the commencement of the Cable Television Networks (Regulation) Amendment Act, 2002 without any addressable system attached with such receiver set in any manner.
- (7) Every cable operator shall publicize, in the prescribed manner, to the subscribers the subscription rates and the periodic intervals at which such subscriptions are payable for receiving each pay channel provided by such cable operator.
- (8) The cable operator shall not require any subscriber to have a receiver set of a particular type to receive signals of cable television network;

Provided that the subscriber shall use an addressable system to be attached to his receiver set for receiving programmes transmitted on pay channel.

- (9) Every cable operator shall submit a report to the Central Government in the prescribed form and manner containing the information regarding-
- (i) the number of total subscribers;
  - (ii) subscription rates;
  - (iii) number of subscribers receiving programmes transmitted in basic service tier or particular programme or set of programmes transmitted on pay channel, in respect of cable services provided by such cable operator through a cable television network, and such report shall be submitted periodically at such intervals as may be prescribed and shall also contain the rate of amount, if any, payable by the cable operator to any broadcaster.

Explanation.- For the purposes of this section,-

- (a) "addressable system" means an electronic device or more than one electronic devices put in an integrated system through which signals of cable television network can be sent in encrypted or unencrypted form, which can be decoded by the device or devices at the premises of the subscriber within the limits of authorisation made, on the choice and request of such subscriber, by the cable operator to the subscriber;
- (b) "basic service tier" means a package of free-to-air channels provided by a cable operator, for a single price to the subscribers of the area in which his cable television network is providing service and such channels are receivable for viewing by the subscribers on the receiver set of a type existing immediately before the commencement of the Cable Television Networks (Regulation) Amendment Act, 2002 without any addressable system attached to such receiver set in any manner;

(c) "channel" means a set of frequencies used for transmission of a programme;

(d) "encrypted", in respect of a signal of cable television network, means the changing of such signal in a systematic way so that the signal would be unintelligible without a suitable receiving equipment and the expression "unencrypted" shall be construed accordingly;

(e) "free-to-air channel", in respect of a cable television network, means a channel, the reception of which would not require the use of any addressable system, to be attached with the receiver set of a subscriber;

(f) "pay channel", in respect of a cable television network, means a channel, the reception of which by the subscriber would require the use of an addressable system, to be attached to his receiver set;

5. Programme code :

No person shall transmit or re-transmit through a cable service any programme unless such programme is in conformity with the prescribed programme code:

6. Advertisement code :

No person shall transmit or re-transmit through a cable service any advertisement unless such advertisement is in conformity with the prescribed advertisement code:

7. Maintenance of register :

Every cable operator shall maintain a register in the prescribed form indicating therein in brief the programmes transmitted or re-transmitted through the cable service during a month and such register shall be maintained by the cable operator for a period of one year after the actual transmission or re-transmission of the said programmes.

8. Compulsory transmission of two Doordarshan channels :

- (1) Every cable operator shall from the commencement of the Cable Television Networks (Regulation) Amendment Act, 2000, retransmit at least two Doordarshan terrestrial channels and one regional language channel of a State in the prime band, in satellite mode on frequencies other than those carrying terrestrial frequencies
- (2) The Doordarshan channels referred to in sub-section (1) shall be re-transmitted without any deletion or alteration of any programme transmitted on such channels.
- (3) The Prasar Bharti ( Broadcasting Corporation of India) established under sub-section (1) of section 3 of the Prasar Bharti ( Broadcasting Corporation of India) act,1990 (25 of 1990) may, by notification in the Official Gazette, specify the number and name of every Doordarshan channel to be retransmitted by cable operators in their cable service and the manner of reception and retransmission of such channels.

9. Use of standard equipment in cable Television network :

No cable operator shall, on and from the date of the expiry of a period of three years from the date of the establishment and publication of the Indian Standard by the Bureau of Indian Standards in accordance with the provisions of the Bureau of Indian Standards Act, 1986 (63 of 1986), use any equipment in his cable television network unless such equipment conforms to the said Indian Standard.

PROVIDED that the equipment required for the proposes of section 4A shall be installed by cable operator in his cable television network within six months from the date, specified in the notification issued under sub-section (1) of that section, in accordance with the provisions of the said Act for said purposes.

10. Cable Television network not to interfere with any telecommunication system :-

Every cable operator shall ensure that the cable Television network being operated by him does not interfere, in any way, with the functioning of the authorised telecommunication systems.

### **CHAPTER III:**

#### **SEIZURE AND CONFISCATION OF CERTAIN EQUIPMENT**

11. Power to seize equipment used for operating the cable television network :-

(1) If any authorised officer has reason to believe that the provisions of section 3, 4A, 5, 6 or 8 have been or are being contravened by any cable operator, he may seize the equipment being used by such cable operator for operating the cable television network.

(2) No such equipment shall be retained by the authorised officer for a period exceeding ten days from the date of its seizure unless the approval of the District Judge, within the local limits of whose jurisdiction such seizure has been made, has been obtained for such retention.

12. Confiscation :-

The equipment seized under sub-section (1) of section 11 shall be liable to confiscation unless the cable operator from whom the equipment has been seized registers himself as a cable operator under section 4 within a period of thirty days from the date of seizure of the said equipment.

13. Seizure or confiscation of equipment not to interfere with the other punishment :-

No seizure or confiscation of equipment referred to in section 11 or section 12 shall prevent the infliction of any punishment

to which the person affected thereby is liable under the provisions of this Act.

14. Giving of opportunity to the cable operator of seized equipment:-

- (1) No order adjudicating confiscation of the equipment referred to in section 12 shall be made unless the cable operator has been given a notice in writing informing him of the grounds on which it is proposed to confiscate such equipment and giving him a reasonable opportunity of making a representation in writing, within such reasonable time as may be specified in the notice against the confiscation and if he so desires of being heard in the matter:

PROVIDED that where no such notice is given within a period of ten days from the days of the seizure of the equipment, such equipment shall be returned after the expiry of that period to the cable operator from whose possession it was seized.

- (2) Save as otherwise provided in sub-section (1), the provisions of the Code of Civil Procedure, 1908 (5 of 1908) shall, so far as may be, apply to every proceeding referred to in sub-section (1).

15. Appeal

- (1) Any person aggrieved by any decision of the court adjudicating a confiscation of the equipment may prefer an appeal to the court to which an appeal lies from the decision of such court.
- (2) The appellate court may, after giving the appellant an opportunity of being heard, pass such order as it thinks fit confirming, modifying or revising the decision appealed against or may send back the case with such directions as it may think fit for a fresh decision or adjudication, as the case may be, after taking additional evidence if necessary.
- (3) No further appeal shall lie against the order of the court made under sub-section (2).

## **CHAPTER IV**

### **OFFENCES AND PENALTIES**

16. Punishment for contravention of provisions of this Act :-
- (1) Whoever contravenes any of the provisions of this Act shall be punishable,-
    - (a) for the first offence, with imprisonment for a term which may extend to two years or with fine which may extend to one thousand rupees or with both;
    - (b) for every subsequent offence, with imprisonment for a term which may extend to five years and with fine which may extend to five thousand rupees.
  - (2) Notwithstanding anything contained in the Code of Criminal Procedure, 1973(2 of 1974), the contravention of section 4A shall be a cognizable offence under this section
17. Offences by companies :-

- (1) Where an offence under this Act has been committed by a company, every person who, at the time the offence was committed, was incharge of and was responsible to the company for the conduct of the business of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly:

PROVIDED that nothing contained in this sub-section shall render any such person liable to any punishment, if he proves that the offence was committed without his knowledge or that he had exercised all due diligence to prevent the commission of such offence.

(2) Notwithstanding anything contained in sub-section (1), where any offence under this Act has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or is attributable to any negligence on the part of , any director, manager, secretary or other officer of the company, such director, manager, secretary or the officer shall also be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

Explanation : For the purposes of this section,-

- (a) "company" means any body corporate and includes a firm or other association of individuals; and
- (b) "director" in relation to a firm, means a partner in the firm.

18. Cognizance of offences :-

No court shall take cognizance of any offence punishable under this Act except upon a complaint in writing made by any authorised officer.

## **CHAPTER V**

### **MISCELLANEOUS**

19. Power to prohibit transmission of certain programmes in public interest :-

Where any authorised officer thinks it necessary or expedient so to do in public interest, he may, by order, prohibit any cable operator from transmitting or re-transmitting any programme or channel if, it is not in conformity with the prescribed programme code referred to in section 5 and advertisement code referred to in section 6 or if it is likely to promote, on grounds of religion, race, language, caste or community or any other ground whatsoever, disharmony or

feelings of enmity, hatred or ill-will between different religious, racial, linguistic or regional groups or castes or communities or which is likely to disturb the public tranquility.

20. Power to prohibit operation of cable television network in public interest:-

(1) Where the Central Government thinks it necessary or expedient so to do in public interest, it may prohibit the operation of any cable television network in such areas as it may, by notification in the Official Gazette, specify in this behalf.

(2) Where the Central Government thinks it necessary or expedient so to do in the interest of the-

(i) sovereignty or integrity of India; or

(ii) security of India; or

(iii) friendly relations of India with any foreign State; or

(iv) public order, decency or morality,

it may, by order, regulate or prohibit the transmission or re-transmission of any channel or programme.

(3) Where the Central Government considers that any programme of any channel is not in conformity with the prescribed programme code referred to in section 5 or the prescribed advertisement code referred to in section 6, it may by order, regulate or prohibit the transmission or re-transmission of such programme.

21. Application of other laws not barred :-

The provisions of this Act shall be in addition to, and not in derogation of, the Drugs and Cosmetics Act, 1940 (23 of 1940),

the Pharmacy Act, 1948 (8 of 1948), the Emblems and Names (Prevention of Improper Use) Act, 1950 (12 of 1950), the Drugs (Control) Act, 1950 (26 of 1950), the Cinematograph Act, 1952 (37 of 1952), the Drugs and Magic Remedies (Objectionable Advertisements) Act, 1954 (21 of 1954), the Prevention of Food Adulteration Act, 1954 (37 of 1954), the Prize Competitions Act, 1955 (42 of 1955), the Copyright Act, 1957 (14 of 1957), the Trade and Merchandise Marks Act, 1958 (43 of 1958), the Indecent Representation of Women (Prohibition) Act, 1986 (60 of 1986) and the Consumer Protection Act, 1986 (68 of 1986)

22. Power to make rules:-

(1) The Central Government may, by notification in the Officer Gazette, make rules to carry out the provisions of this Act.

(2) In particulars, and without prejudice to the generality of the forgoing power, such rules may provide for all or any of the following matters, namely:-

the form of application and the fee payable under sub-section (2) of section 4;

(aa) the manner of publicising the subscription rates and the periodical intervals at which such subscriptions are payable under sub-section (7) of section 4A;

(aaa) the form and manner of submitting report under sub-section (9) of section 4A and the interval at which such report shall be submitted periodically under that sub-section,

(b) the programme code under section 5;

(c) the advertisement code under section 6;

(d) the form of register to be maintained by a cable operator under section 7;

(e) any other matter which is required to be, or may be, prescribed.

(3) Every rule made under this Act shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall without prejudice to the validity of anything previously done under that rule.

23. Repeal and saving :-

(1) The Cable Television Networks (Regulation) Ordinance, 1995 (3 of 1995) is hereby repealed.

(2) Notwithstanding such repeal, anything done or any action taken under the said Ordinance, shall be deemed to have been done or taken under the corresponding provisions of this Act.

**Downlinking Policy**

F.No.13/2/2002-BP&L/BC-IV  
Government of India  
Ministry of Information and Broadcasting  
Broadcasting Wing

New Delhi.

Dated: 11th November, 2005

**POLICY GUIDELINES FOR DOWNLINKING OF TELEVISION CHANNELS**

Ministry of Information and Broadcasting, Government of India, has formulated policy guidelines for downlinking all satellite television channels downlinked / received / transmitted and re-transmitted in India for public viewing. Consequently, no person/entity shall downlink a channel, which has not been registered by the Ministry of Information and Broadcasting under these guidelines. Henceforth, all persons/ entities providing Television Satellite Broadcasting Services (TV Channels) uplinked from other countries to viewers in India as well as any entity desirous of providing such a Television Satellite Broadcasting Service (TV Channel), receivable in India for public viewership, shall be required to obtain permission from Ministry of Information and Broadcasting, in accordance with the terms and conditions prescribed under these guidelines.

The guidelines are as given below:

1. ELIGIBILITY CRITERIA FOR APPLICANT COMPANIES
  - 1.1 The entity applying for permission for downlinking a channel, uplinked from abroad, (i.e. Applicant Company), must be a company registered in India under the Indian Companies Act, 1956, irrespective of its equity structure, foreign ownership or management control.

- 1.2 The applicant company must have a commercial presence in India with its principal place of business in India.
- 1.3 The applicant company must either own the channel it wants downlinked for public viewing, or must enjoy, for the territory of India, exclusive marketing/ distribution rights for the same, inclusive of the rights to the advertising and subscription revenues for the channel and must submit adequate proof at the time of application.
- 1.4 In case the applicant company has exclusive marketing / distribution rights, it should also have the authority to conclude contracts on behalf of the channel for advertisements, subscription and programme content.
- 1.5 The applicant company should have a minimum net worth as prescribed below:

<b><u>Item</u></b>	<b><u>Required net worth of the Co.</u></b>
1. For downlinking one Channel	Rs 1.50 Crores
2. Every Additional Channel	Rs.1.00 Crores

- 1.6 The applicant company must provide names and details of all the Directors of the Company and key executives such as CEO, CFO and Head of Marketing etc to get their national security clearance.
- 1.7 The 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 downlinking and distribution, the Block schematic diagram of the downlinking and distribution system and also demonstrate the facilities for monitoring and storing record for 90 days.

1.8 The Applicant Company should not have been disqualified from holding such permission under these guidelines.

2. **ELIGIBILITY CRITERIA FOR REGISTRATION OF CHANNELS FOR BEING DOWNLINKED**

2.1 Only Companies permitted/eligible for permission to downlink, as per Clause 1 above, shall be eligible to apply for registration of channels.

2.2 The downlinked 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.

2.3 The channel being registered should not have been de-registered under these guidelines at the time of application.

2.4 No News and Current Affairs channel shall be permitted to be downlinked if it does not meet the following additional conditions:

2.4.1 That it does not carry any advertisements aimed at Indian viewers;

2.4.2 That it is not designed specifically for Indian audiences;

2.4.3 That it is a standard international channel;

2.4.4 That it has been permitted to be telecast in the country of its uplinking by the regulatory authority of that country;

Provided that the Government may waive/modify the condition under clause 2.4.1 on a case-by-case basis.

2.5 For the purposes of these guidelines any channel, which has any element of news or current affairs in its programme content, will be deemed to be a news and current affairs channel.

2.6 Companies whose channels are being downlinked at present will be required to comply with all formalities of registration of these channels within 180 days from date of issue of these guidelines. In addition these companies will be required to obtain the necessary permission for downlinking their respective channels under these guidelines within 180 days from date of issue of these guidelines.

### 3. **PERIOD OF REGISTRATION AND PERMISSION**

The Ministry of Information and Broadcasting shall grant registration to each channel for an initial period of 5 years, which shall be extendable thereafter as per extant Rules. The applicant company will be granted permission for one or more years up to a maximum of five years, co-terminus with the registration of the channel.

### 4. **REGISTRATION FEE AND PERMISSION FEE**

4.1 The Applicant Company shall pay registration fee of Rs.5 Lakhs for each channel, which will be payable for the initial registration for a period of five years. Extension beyond five years shall be again for a period of five years at the above prescribed rate.

4.2 Every company permitted to downlink channels, uplinked from other countries, into India under these guidelines, shall pay Rs 5 Lakhs as the initial fee before the signing of the Grant of Permission Agreement. In addition, every company shall pay

an amount of Rs. 1 lakh per channel per annum as the annual fee.

- 4.3 The company permitted to downlink channels into India under the uplinking guidelines, shall register every channel separately.

5. **BASIC CONDITIONS/OBLIGATIONS**

- 5.1 The Company permitted to downlink registered channels shall comply with the Programme and Advertising Code prescribed under the Cable Television Networks (Regulation) Act, 1995.

- 5.2. The sports channels/sports rights management companies having TV broadcasting rights shall with immediate effect share their feed with Prasar Bharati for national and international sporting events of national importance, held in India or abroad, for terrestrial transmission and DTH broadcasting (free-to-air) under the following conditions:

- 5.2.1 The events of national importance shall be determined by the Ministry of Information & Broadcasting in consultation with Ministry of Sports & Youth Affairs, Prasar Bharati and the concerned sports channels/sports rights management companies. In case of cricket events, these shall include all matches featuring India and the finals and semi-finals of international competitions.

- 5.2.2 The above conditions shall apply to all future events including those covered by existing contracts of broadcasting rights. However, in the case of cricket events whose broadcasting rights have been obtained by sports channels/rights management companies prior to the issue of the notification in

the matter, the rights holders will be obliged to share the feed for all matches featuring India and finals of international competitions.

- 5.2.3 Prasar Bharati shall transmit the feed, free to air, on its terrestrial channel and carried through the terrestrial network and/or the satellite/DTH mode.
- 5.2.4 The marketing of the events' rights (terrestrial as well as satellite/DTH) will be decided through mutual negotiations between Prasar Bharati and the rights holder. The marketing rights should go to the party, which offers to maximize the revenue.
- 5.2.5 Revenue sharing formula of 75:25 in favour of rights holders without any minimum guarantee/opportunity cost should be applied.

In the event of any dispute, the matter shall be referred to an arbitrator to be appointed by Secretary, Ministry of Law & Justice out of the approved panel of arbitrators.

- 5.3 The applicant company shall adhere to any other Code/Standards guidelines/restrictions prescribed by Ministry of Information & Broadcasting, Government of India for regulation of content on TV channels from time to time.
- 5.4 The applicant company shall submit audited annual accounts of its commercial operations in India.
- 5.5 The applicant company shall obtain prior approval of the Ministry of I & B before undertaking any upgradation, expansion or any other changes in the downlinking and distribution system/network configuration.

- 5.6 The applicant company shall provide Satellite TV Channel signal reception decoders only to MSOs/Cable operators registered under the Cable Television Networks (Regulation) Act 1995 or to a DTH operator registered under the DTH guidelines issued by Government of India.
- 5.7 The applicant company shall ensure that any of its channels, which is unregistered or prohibited from being telecast or transmitted or re-transmitted in India, under the Cable Television Networks (Regulation) Act 1995 or the DTH guidelines or any other law for the time being in force, cannot be received in India through encryption or any other means.
- 5.8 The Union Government shall have the right to suspend the permission of the company/registration of the channel for a specified period in public interest or in the interest of National security to prevent the misuse of the channel. The company shall immediately comply with any directives issued in this regard.
- 5.9 The applicant company seeking permission to downlink a channel shall operationalise the channels within one year from the date of the permission being granted by the Ministry of I&B, failing which the permission will 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.
- 5.10 The company/channel shall adhere to the norms, rules and regulations prescribed by any regulatory authority set up to regulate and monitor the Broadcast Services in the country.

- 5.11 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. It shall also obtain security clearance for such changes in its directors and key executives.
- 5.12 The applicant company shall keep a record of programmes downlinked for a period of 90 days and to produce the same before any agency of the Government as and when required.
- 5.13 The applicant company shall furnish such information as may be required by the Ministry of I&B from time to time.
- 5.14 The applicant company shall provide the necessary monitoring facility at its own cost for monitoring of programmes or content by the representative of the Ministry of I&B or any other Government agency as and when required.
- 5.15 The applicant company shall comply with the obligations and conditions prescribed in the downlinking guidelines issued by the Ministry of I&B, and the specific downlinking permission agreement and registration of each channel.
- 5.16 In the event of any war, calamity/national security concerns, the Government shall have the power to prohibit for a specified period the downlinking/ reception/ transmission and re-transmission of any or all channels. The Company shall immediately comply with any such directions issued in this regard.

6. **OFFENCES AND PENALTIES**

6.1 In the event of a channel found to have been/being used for transmitting any objectionable unauthorized content, messages, or communication inconsistent with public interest or national security or failing to comply with the directions as per Para 5.8 or Para 5.16, the permission granted shall be revoked and the company shall be disqualified to hold any such permission 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.

6.2 Subject to the provisions contained in Para 6.1 of these guidelines, in the event of a permission holder and/ or channel violating any of the terms and conditions of permission, or any other provisions of the guidelines, the Ministry of Information and Broadcasting shall have the right to impose the following penalties: -

6.2.1 In the event of first violation, suspension of the permission of the company and/or registration of the channel and prohibition of broadcast up to a period of 30 days.

6.2.2 In the event of second violation, suspension of the permission of the company and/or registration of the channel and prohibition of broadcast up to a period of 90 days

6.2.3 In the event of third violation, revocation of the permission of the company and/or registration of the channel and prohibition of broadcast up to the remaining period of permission.

- 6.2.4 In the event of failure of the permission holder to comply with the penalties imposed within the prescribed time, revocation of permission and /or registration and prohibition to broadcast for the remaining period of the permission and disqualification to hold any fresh permission and /or registration in future for a period of five years.
- 6.2.5 In the event of suspension of permission as mentioned in Para 5.8,5.16 or 6.2, the permission holder will continue to discharge its obligations under the Grant of Permission Agreement including the payment of fee.
- 6.2.6 In the event of revocation of permission and /or registration, the fees paid will be forfeited.
- 6.2.7 All the penalties mentioned above shall be imposed only after giving a written notice to the permission holder.

## 7. **DISPUTE RESOLUTION**

- 7.1 In the event of any question, dispute or difference arising under the Grant of Permission Agreement or in connection thereof, except as to the matter, the decision of which is specifically provided under the Grant of Permission Agreement, the same shall be referred to the sole arbitration of the Secretary, Department of Legal Affairs or his nominee.
- 7.2 There will be no objection to any such appointment that the Arbitrator is a Government servant. The award of the arbitrator shall be final and binding on the parties. In the event of such Arbitrator, to whom the matter is originally referred to, being transferred or vacating his office, or being unable to act for any reason whatsoever, Secretary, Department of Legal Affairs shall appoint another person to act as Arbitrator.

7.3 The Arbitration and Conciliation Act, 1996, the rules made there under and any modification thereof, for the time being in force, shall be deemed to apply to the arbitration proceedings as above. The venue of arbitration shall be New Delhi or such other place as the Arbitrator may decide. The arbitration proceedings shall be conducted in English language.

7.4 Upon any and every reference as aforesaid, the assessment of costs, interest and incidental expenses in the proceedings for the award shall be at the discretion of the Arbitrator.

8. **PROCEDURE FOR GRANT OF PERMISSION AND REGISTRATION OF CHANNELS**

8.1 The applicant company shall apply to the Secretary, Ministry of Information and Broadcasting in the prescribed Performa along with full details and documentation relevant for evaluating its eligibility for grant of permission to downlink TV channels in India. Each application form shall be accompanied by a demand draft of Rs. Ten Thousand towards non-refundable processing fee.

8.2 The applicant company shall also submit full details of each channel being/proposed to be downlinked along with all other documents as prescribed in the guidelines.

8.3 After scrutiny of the application if the applicant company is found eligible, the same will be sent for security clearance to the Ministry of Home Affairs. In the meanwhile, the Ministry of Information and Broadcasting will evaluate the suitability of the proposed channel for downlinking into India for public viewing.

- 8.4 In the event of the applicant company and the proposed channel being found suitable, the Ministry of Information and Broadcasting will register the channel and the applicant company to enter into a grant of permission agreement with the Ministry of Information and Broadcasting, Government of India.
- 8.5 On receipt of the signed agreement, the Ministry of Information and Broadcasting will issue a registration certificate for the concerned channels and grant permission to the applicant company to downlink the relevant channels in India for the prescribed period.
- 8.6 On receipt of the permission and upon registration of the channel, the applicant company will be entitled to approach the MSOs/Cable head end operators/DTH Operators for receiving/downlinking its channel's signal, for further transmission/retransmission/ distribution.

**Note:**

No cable operator or DTH service provider shall, after the expiry of 180 days from the date of this notification, carry or include in his cable/DTH network any television channel that has not been registered under these guidelines. Amendments to this effect in the Cable Television Network Rules 1994 and DTH guidelines are being notified separately.

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