

Reliance Big TV Limited's Response to Consultation Paper on Ease of Doing Business in Broadcasting Sector

At the outset, we are thankful to the Authority for giving an opportunity to submit our views on the issues raised in the said consultation paper.

Executive Summary:

- I. Broadcasters should be restricted from providing Pay TV channels to the Free-to-Air distribution platforms (e.g. DD Direct).
- II. Only the Free-to-Air Distribution platforms should be mandated to carry the channels specified by the Government.
- III. DTH services and any other form of distribution platforms including Cable & OTT should be allowed under Unified License (UL) Regime.
- IV. The licensing regime should be technology agnostic and UL should allow distribution of video signals through all possible means of technologies.
- V. DTH operators, once brought under the UL, should be allowed to provide teleport services.
- VI. The license fee for pay TV distribution platforms should be rationalized and aligned with the license fee applicable on telecom operators with the content cost of the pay TV platforms being equated with the pass through allowed to the telecom operators for IUC/carriage charges.
- VII. Direct contracting should be allowed for DTH operators to secure initial as well as incremental capacity with the coordinated satellite capacity providers. DOS should publicize the number of transponders available on INSAT as well as coordinated foreign satellites.
- VIII. Use of Plan band should be allowed as the number of available transponders significantly increases if FSS plan band and BSS plan is released.
- IX. There should be a single window within DoT for processing applications. Further, obtaining approvals from WPC and NOCC for change in transmission parameters for the existing transponders should be done away with as long as these parameters comply with DVB standards.
- X. WPC and NOCC charge a substantial fee separately as spectrum royalty charges and monitoring charges. This needs to be reviews and rationalized.
- XI. The Article 10 of the DTH license is restrictive and needs to be amended so that interactive services using satellite return path in DTH can be deployed.
- XII. TEC IR SCB-08 should be amended and sub meter antenna deployment be permitted for satellite return path in DTH.

- XIII. **Trials of new technologies should be allowed under the existing license of DTH operators. Intimation by DTH operator to the concerned departments/Authorities should be sufficient.**
- XIV. **DTH operators should be allowed to provide broadband services under the existing license to their consumers as being done by Cable operators.**
- XV. **Ka and Ku bands should be allowed for Broadband by DTH operators.**
- XVI. **DTH platforms should be allowed to carry all licensed AM and FM radio channels throughout the country.**
- XVII. **DTH operators should be allowed to provide infrastructure services to operators of these neighbouring countries including down-linking and up-linking of their TV channels.**

Below is our question wise response on the consultation paper highlighting various issues that are required to be addressed in order to ease the functioning of DTH services in this sector. We hope that Authority would find merit in our suggestions and take these into account before taking final decision on this issue.

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?

Our Response:

1. Free to Air platforms directly compete with all the pay TV platforms like DTH, IPTV, Cable etc. and thereby damage viability of Pay TV platforms and also adversely affect the license fee collection by the Government. Till the Free to Air platforms (like DD Free Dish etc.) are brought under the DTH licensing regime
 - a) Broadcasters should be restricted from providing Pay TV Channels to a Free to Air platforms as these are charged for on the Pay TV platforms.
 - b) Broadcasters should also be restricted from carrying FTA channels which contain Pay TV content, whether deferred or not, on Free to Air Platforms for the same reason as above.
 - c) The only legal Free to Air DTH service, i.e. DD Free Dish, is run by the Government - hence this platform should be restricted to carry only the "Must Carry" TV Channels as specified by the Government. All other TV channels should be encrypted within the restrictions pointed out in the above two points.

- Q2. Is there a need in present policy frame work 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?
- Q3. Do you agree with some of the stakeholders' comment at pre-consultation stage that Annual Renewal process of TV channels needs simplification? Give your comments with justification?
- 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 frame work for such single window system? Give your comments with justification?
- 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.

Response: No Comments

- Q6. Do you feel the need to simplify policy framework for seeking permission/license for starting and running of following services-
- (i) Teleport services
 - (ii) 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.

Our Response:

1. DTH as Part of UL

- a) Direct To Home Television service provisioning and any other form of distribution including Cable &OTT should be allowed under Unified License (UL) regime. UL regime already includes video signal distribution through IPTV technology.
- b) Currently OTT is not regulated and must be brought under UL regime and governed by the DTH and Cable guidelines and conditions including license fee. This is required as OTT as a platform carries the same content as the Pay TV platforms and hence has an adverse and unfair competitive impact on the Pay TV platforms which not only pay a huge license fee but are also heavily regulated.
- c) As envisaged under New Telecom Policy, the Licensing Regime should be Technology agnostic and UL regime should allow distribution of video signals through all possible means of Technology so that Indian consumers can benefit in terms of cost, convenience and better and more feature rich services.

- d) The operators, who opt for distribution of TV signals through DTH technology, besides taking UL, will adhere to and abide by all rules and regulations as laid down by Ministry of I&B and Department of Space.
- e) Bringing DTH and all other distribution modes including Cable &OTT under UL will not dilute role of Ministry of I & B in Broadcast & Content regulation.
- f) Further, DTH operators, once brought under UL regime, should be allowed to provide Teleport services also, leveraging their existing infrastructure and manpower. This further enhances the viability of the DTH platform.
- g) Necessary amendments on the Interconnection Regulations should be carried out by the TRAI once the DTH services come under the UL Regime.

2. License Fee Rationalization

- a) Currently DTH industry is saddled with the burden of heavy taxes and License fees. Annual License fee being charged is 10% of GR. These taxes and levies put immense pressure on business viability of DTH operators and are not only a heavy drain on the financials but also put DTH at a disadvantage vs other Pay TV platforms.
- b) Pay TV platforms & Telecom sectors are fast converging and since the DTH licenses & Telecom licenses are granted under Indian Telegraph Act 1885, all the terms, including license fees for DTH sector should be aligned with that in the UL.
- c) In light of the factors mentioned above, the License Fee charged from Pay TV Operators should be rationalized on priority and should be aligned to the prevailing rates of License Fee charged to Telecom Operators with the Content Costs of the Pay TV platforms being equated with the pass through as allowed to telecom operators for IUC/Carriage charges etc.

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.

Our Response:

1. Allotment of Transponder Capacity

- a) There is no reason why open sky policy for Ku band cannot be adopted as done in C band.
- b) DTH transmissions are primarily broadcast and non-interactive services. DTH content transmission is governed by MIB programming code. Hence, there is no real threat of security.

- c) Existing guidelines for Ku transponder allotment do not allow DTH operators to acquire transponder capacity from foreign satellite operators.
- d) Most often DTH Operators are not aware about availability of transponders and the timelines for allotment.
- e) Ku transponders are critical lifeline for DTH operations. Limitations on the availability of Ku band transponders critically hampers operations as well as expansion of DTH operators.

2. Suggestions:

- a) Transponder allocation process should be a transparent mechanism.
- b) DOS should publicize the list of foreign satellites, which are having footprints in Indian subcontinent and coordinated with INSAT system.
- c) DOS should publicize number of transponders available on INSAT as well as coordinated Foreign Satellites.
- d) Direct contracting should be allowed for DTH operators to secure initial as well as incremental capacity with the coordinated satellite capacity providers. This will enable DTH operators to negotiate better deals in terms of transponder lease and renewal charges.
- e) Intimation to DoS/ Antrix and other regulatory authorities by DTH operators as soon as agreement between the DTH Operator and Satellite Operator is signed.
- f) Acquiring satellite capacity for the first time and any incremental capacity or extension of contract with satellite operator who is already supplying transponder capacity, should entirely be left to the DTH operator so that DTH operators can plan and align their resources for expansion efficiently.
- g) DTH License is issued for 10 years. Similarly, transponder contracts need to be of longer durations, at least 10 years to allow DTH Operators to leverage on cost economics and provide cost protection as well as assured capacity availability.

3. Use of Plan Band:

- a) Spectrum is a scarce resource and it should be used optimally.
- b) DTH service is orbital location specific and all expansion, growth and business continuity need to be planned at the operational orbital slot.
- c) Ku band transponders are critical lifeline for DTH operations. Currently only FSS

Conventional band within Ku-Band is allowed for DTH use in India and available spectrum in FSS conventional band further reduces due to strict ITU guidelines to avoid adjacent satellite interference. This limits the availability of number of Ku band transponders to just 24 in any given orbital slot. This limitation critically hampers DTH operations as well as expansion plans.

- d) Currently there are about 900 licensed TV channels in India and is expected to grow further. In addition to this, the number of HD channels also increasing. This in turn causes demand for more transponders.
- e) The number of available transponders significantly increase if FSS Plan band and BSS Plan is released and each orbital slot can have at least 48 more transponders to meet the capacity demand.
- f) Plan Band is being widely used in many countries for DTH and some of them are South Korea, Japan, Russia, Thailand, Middle East and Mexico.
- g) As can be seen from chart 1, 24 transponders each in FSS Plan band and BSS Plan band are possible.
- h) This will eliminate limitations on number of transponders in each orbital slot

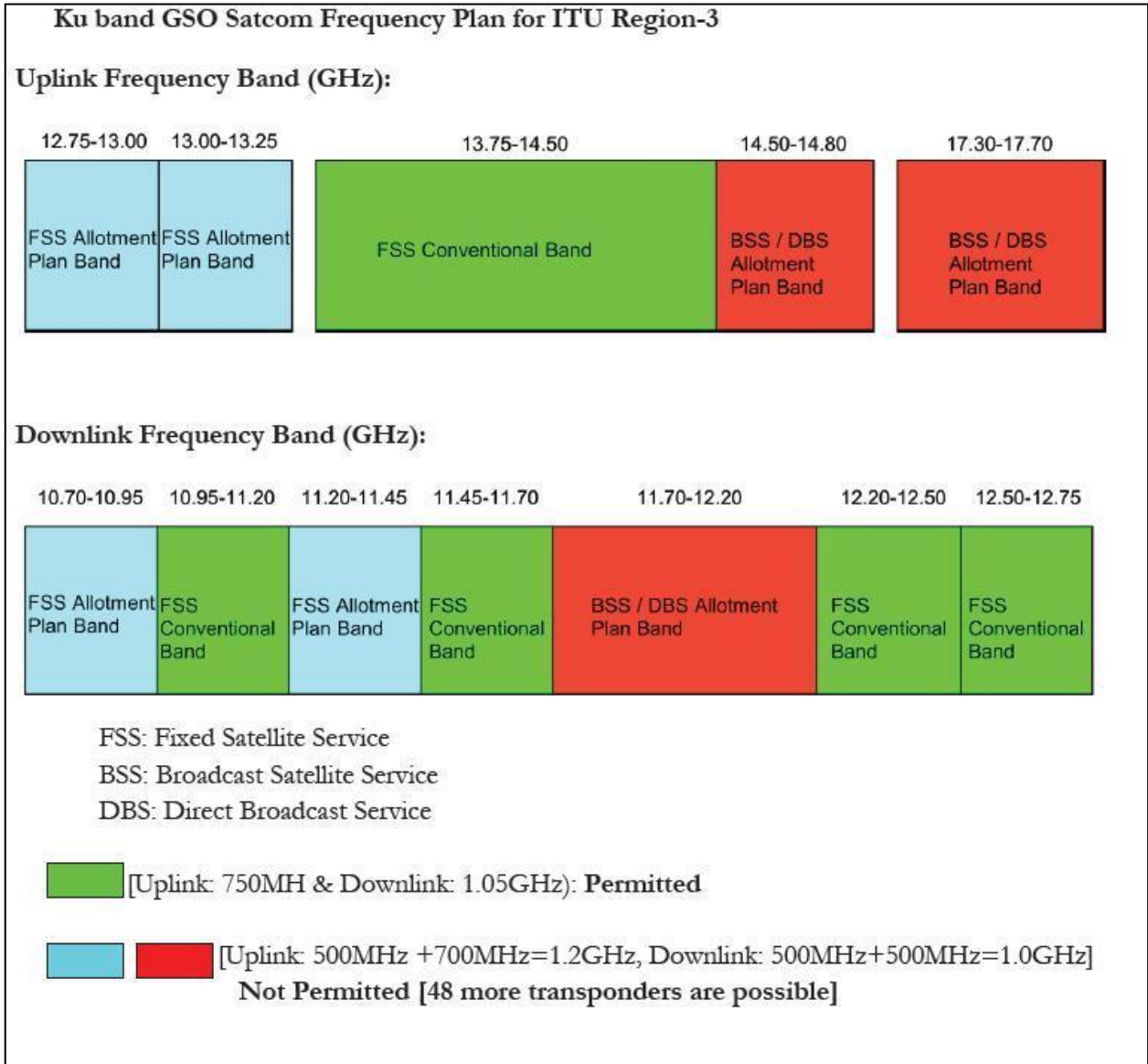


Chart 1

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.

Our Response:

1. Transponder Allocation is one of the major operational issue

- a) DTH operators apply to DoS/Antrix when they require satellite transponder capacities in a prescribed format along with refundable deposit [Rs 50000 per MHz].

- b) DoS/Antrix combines all these requests and floats RFP to foreign satellite operators after examining availability of INSAT/GSAT capacity. In case of non-availability of INSAT/GSAT Capacity, Antrix sources transponder capacity from foreign satellite operators and sub-lets it to DTH operators through back-to-back agreements.
- c) There is no clarity on the timeline as to when the requested capacity would be made available to the DTH operator though the date of requirement is collected from the DTH operator.
- d) Transponder lease contracts with Antrix are of short term, maximum 3 years.

2. Suggestions

- a) There should be a open sky policy for Ku band as is being done in C-band
- b) Direct contracting between DTH operator and Satellite Operator be allowed
- c) Transponder allocation should be a transparent mechanism
- d) There should be definitive time lines for allocation of transponders once application with requisite deposit is submitted to DoS.
- e) Transponder lease agreements to be of longer duration, at least 10 years.

3. Regulatory Clearances is another major operational issue:

- a) Regulatory clearance required to start use of transponders is another area of concern
- b) It would take approximately 33 weeks to get all approvals and clearances after allocation[Ref Table 12]
- c) Actual use of transponder capacity starts approximately **10 months** after allocation of transponders considering regulatory clearances, installation and testing of equipments.
- d) **Regulatory clearances are required not only to start use of additional transponders but also to do any change in operating parameters of existing transponders.**
- e) DTH operators optimize transmission parameters like Symbol rate and FEC to provide optimum/robust signals for customer experience especially during monsoons
- f) Similarly DTH operators effect changes in transmission parameters during clear weather conditions for optimal utilization of satellite bandwidth.
- g) **Change in transmission parameters requires WPC and NOCC approvals and revision in WPC Operating license.**
- h) **To obtain NOCC and WPC approvals, steps 3, 4, 8 and 9 from Table 1 are required to be completed and it takes minimum of 12 weeks.**

4. Suggestions:

- a) There should be a single window at least with in DOT, for processing applications, so that back and forth between WPC and NOCC can be eliminated. This will fast track the process to provide approvals and monetization of bandwidth in a fairly reasonable time frame.
- b) Obtaining approvals from WPC and NOCC for change in transmission parameters for the existing transponders should be done away with as long as these parameters comply with DVB standards.
- c) This would allow operators the flexibility to optimize bandwidth, throughput and availability as and when required. Further, allow operators to focus on providing better services.
- d) Intimation to authorities by the DTH operator about change in operating parameters should be sufficient.

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.

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.

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.

Our Response: No Comments

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?

Our Response:

- a) As mentioned in this consultation paper, multiple approvals are required from WPC & NOCC and it would take approximately 33 weeks to get all approvals

Process Steps	Description	Issuer	Approx. Timelines
Start	Receipt of Frequency Allotment Letter	DoS	NA
Step 1	No Objection Certificate	MIB	9 weeks
Step 2	SACFA Approval	WPC	2 weeks*
Step 3	Frequency and Carrier Plan Approval	NOCC	1 week
Step 4	Decision Letter for Grant of Operating License/Frequency Assignment	WPC	7 weeks
Step 5	Equipment Import License	WPC	6 weeks
Step 6	Equipment Installation and Testing	Operator	8 weeks**
Step 7	Mandatory Performance Verification Testing (MPVT) for antenna	NOCC	4 weeks***
Step 8	Wireless Operating License	WPC	3 weeks
Step 9	Final Uplinking Permission	NOCC	1 week
Total Approx. Timelines			33 weeks

Table 1

*Step 2 Applicable in case of Additional frequency bands and Additional Antenna

**Step 6 is operator specific, hence not considered

***Step 7 Applicable in case of Additional Antenna

- b) Actual use of transponder capacity starts approximately **10 months** after allocation of transponders
- c) **Single window Process:** There should be a single window at least with in DOT, to process applications, so that back and forth between WPC and NOCC can be eliminated. This will fast track the process to provide approvals and monetization of bandwidth in a fairly reasonable time frame.
- d) **DoS endorse copies to MIB, WPC and NOCC when any satellite capacity is allocated to DTH operators. The satellite capacity allocated should be pre-approved by these departments and DTH operators should be allowed to use the satellite capacity within one month of allocation. This should be implemented especially for additional capacity and an endorsement by WPC & NOCC on existing network operating license should be sufficient.**
- e) **Endorsement for Change in Operating Parameters:** It takes minimum 12 weeks to get regulatory clearances and approvals from WPC & NOCC for any change in transmitting parameters like Modulation, Symbol Rate & FEC of existing transponders. This should be done away with as long as these parameters comply with DVB Standards.
- f) DTH Operators in turn should intimate the authorities about change in operating parameters and endorsement from authorities should be sufficient.

- g) **Rationalization of Royalty & Monitoring Charges:** Both WPC and NOCC charge a substantial fee separately (WPC: Rs.31.5 Lakhs per 36 MHz per annum and NOCC: Rs.21.0 Lakhs per 36MHz per annum) as spectrum royalty charges and monitoring charges respectively. This needs to be reviewed and rationalized.

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.

Our Response:

- a) The existing guidelines were framed several years ago when DTH services were not permitted in India.
- b) These guidelines are mostly designed to address single or partial transponder use applications using INSAT capacity. In DTH applications almost entire capacity on a satellite is consumed by one operator. DTH services require multiple transponders, sometimes on a single satellite or multiple collocated satellites to meet the demand. Further, foreign satellite operators also providing transponder capacity to DTH operators to meet high demand. Hence, existing guidelines require complete overhaul.
- c) The existing guidelines are the prime reason for delay in allocation process. These need to be reviewed in accordance with services being offered today.
- d) There has to be definitive timelines for disposal of applications submitted.

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

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

Our Response: No Comments

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

Our Response:

- a) DTH is a technology driven business. Constant innovations are required to keep customers interested in services offered by each DTH operator.
- b) Many new technologies are emerging in broadcast sector. Few such new technologies are IPTV & OTT. Cable TV and Telcos can easily adopt and add these services alongside the digital video signal and provide true interactivity.
- c) DTH is in a disadvantageous position as they cannot provide interactivity since

satellite return path is not allowed in DTH. In order to compete with these kinds of service providers, DTH operators need to add interactivity alongside the digital video signal to the customers.

- d) Recent developments in Europe have opened an opportunity for distribution platforms like DTH to introduce low cost satellite return path for deploying interactive applications and OTT services.
- e) Existing 60cm Antenna and coaxial cable deployed at customer premises can be re-used.
- f) Technology for this is mature and deployed elsewhere in the world. Interference to adjacent satellites when small 60cm antenna used for transmission can be mitigated with this advanced technology.
- g) As per prevailing DTH license conditions interactivity using satellite return path in DTH services is not permitted .**
- h) ARTICLE-10, VALUE ADDED SERVICE of DTH license states that :**

“The DTH facility shall not be used for other modes of communication, including voice, fax data, communication, Internet etc unless specific license for these value added services has been obtained from the competent authority”

Thus, Article-10 in DTH License is restrictive and needs to be amended so that interactive services using satellite return path in DTH can be deployed.

- i) Further, the technical guidelines [TEC IR SCB-08/03 Oct 2013-Mandatory Technical requirements for all satellite based networks] Sub-Meter antenna is not permitted for interactive services in DTH using satellite return path.**
- j) TEC IR SCB-08 should be amended and sub meter antenna deployment be permitted for satellite return path in DTH.
- k) Sub-Meter dish antenna can be used efficiently as data rate are very low.
- l) This technology uses very weak reverse path in Ku band.
- m) Guidelines mentioned at h, i& k not only restrictive in terms of technology deployment also do not permit any trials whatsoever without approval from apex committee comprising of various departments under different ministries. This needs to be reviewed and amended accordingly.**
- n) Trials of such new technologies should be allowed under the existing license of DTH. Intimation by DTH Operator to the concerned departments/ authorities should be sufficient.**
- o) Taking advantage of modern technology connectivity can be provided to every

home and every village even in remotest location.

- p) Most economical service for customers in Rural and Urban areas.
- q) This will help in greatly enhancing customer service and facilitate the Government's Digital India initiatives like e-Gov, e-Edu, e-Banking services to wider rural population, having STB & TV, apart from interactive entertainment services.

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

Our Response:

- a) Any experiment/trial project should be permitted under existing license of that operator who is desirous to carry out trials.
- b) Intimation to the concerned nodal authority/department by the operator desirous to carry out such trials should be sufficient.

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

Our Response:

1. DTH and Broadband through DTH to be brought under UL.

- a) The target of providing affordable, reliable broadband-on-demand and minimum download speeds has not been achieved and way below the NTP-2012 target.
- b) Providing high speed and high quality broadband access to all village panchayats is not even at the halfway mark.
- c) The above targets can be achieved through a combination of technologies.
- d) DTH is definitely one of those technologies which should be used to achieve Digital India target.
- e) Indian DTH subscriber base is about 64 millions, including Rural and Urban areas, and growing further at rapid pace.
- f) All video distribution platforms including DTH and OTT should be brought under Unified License (UL) regime and governed by same guidelines and conditions. UL regime already includes video signal distribution through IPTV technology.
- g) The operators, who opt for distribution of TV signals, besides taking UL, will adhere to and abide by all rules and regulations as laid down by Ministry of Information & Broadcasting and Department of Space.

- h) The role Ministry of I & B in Broadcast & Content regulation will remain intact even though distribution platforms are brought under UL regime. Currently MSO distributing TV services also providing broadband.
- i) DTH operator should be allowed to provide broadband services under the existing license to their consumers as being done by Cable operators. Additional fee if required to obtain broadband license may be charged but it should be at nominal rates.**
- j) Providing broadband through satellite is very cost effective especially to rural and hard-to-reach areas.
- k) DTH services providers with a reach of millions of homes, using satellite return path and with antenna size as small as 60cm can pave big way to achieve NTP targets and aide reach of broadband to remotest village.
- l) Ka and Ku bands should be allowed for Broadband by DTH operators. There is no Security risk as this would be a Hub and Spoke model unlike the VSAT services. VSAT like licensing fees and regulations should not be applicable. No additional permission should be necessary for consumer side equipment and Dish.
- m) A DTH dish antenna along with Smart system placed at each home receives and transmits directly with Satellite and each home can have very high speed (50Mbps) internet along with DTH services in rural as well as urban areas.
- n) The use of smart system allows connectivity even to the most remote locations. In rural areas with poor infrastructure or no infrastructure at all, the smart system will serve for communication and interactive services.
- o) Satellite Return Path using sub-meter antenna should be permitted in DTH and with this modern technology broadband to even remotest village is possible.
- p) Further, DTH operators, once brought under UL regime, should be allowed to provide Teleport services also leveraging infrastructure and manpower. This further enhances the viability of the DTH platform.

2. STB interoperability:

- a) Tech interoperability implementation does not serve the purpose it is intended for and is impractical.
- b) DTH Operators use different Encoding standards such as MPEG2, H.264 & H.265.
- c) Similarly the Modulation standards have undergone rapid changes - from DVB-S to DVB-S2 to DVB-S2X with some operators using tighter Mod Cods and roll offs.
- d) Support for all the different CAS solutions - NDS, Nagra, Irdeto, Conax, Verimatrix etc. Each of the operators will insist that their CAS vendors certify the product as

their service could be compromised/ hacked if the manufacturer has not taken all the precautions that the CAS vendor insists upon.

- e) All the above add to the cost of the STB. If the manufacturer has to cater to all the above requirements – the cost of the STB will be prohibitive – a safe estimate is that this will be more than double the current costs.

In view of the above it is suggested that Technical interoperability be replaced with Commercial interoperability. Commercial interoperability will be more beneficial to the Consumer and will reduce cost of STBs by \$2 to \$5. This will result in huge Forex savings for the Nation and the Operator. As and when customer wants exit Operator-1, customer should be refunded balance of deposit after necessary deductions so that he can avail services from Operator-2. Authority's regulatory norms for this are already in force.

3. Transmission of radio services over DTH platform:

- a) Regulations should allow transmission of radio services over DTH platform. DTH platforms should be allowed to carry all licensed AM and FM Radio Channels throughout the country.
- b) This will allow all Radio channels to have larger base of listenership helping them increase advertising revenue boosting their business model.
- c) DTH platform being stationary in nature will compliment the mobile listenership of Radio channels.

4. DTH Infra Sharing with SAARC Countries:

- a) Since most satellites have footprints covering SAARC countries, DTH operators should be allowed to provide infrastructure services to operators of these neighboring countries including downlinking and uplinking of their TV channels.
- b) This will help DTH operators commercially as well as help neighboring countries to have a cost effective services in line with PM's initiative to help SAARC countries.