



December 3<sup>rd</sup>, 2013

Shri Wasi Ahmed,  
Advisor (B&CS),  
Telecom Regulatory Authority of India,  
Mahanagar Doorsanchar Bhawan,  
Jawahar Lal Nehru Marg,  
New Delhi 110002

**Sub.: Supplementary Consultation Paper on Issues related to New DTH Licences**

Dear Sir,

This is with reference to your above mentioned Consultation Paper.

We welcome the suggestions brought forth the Consultation paper and the Supplementary Paper.  
Enclosed please find our response and comments for your kind consideration.

Thanking you,

Yours sincerely,

For **NOIDA SOFTWARE TECHNOLOGY PARK LTD.**

**Devinder Singh**  
**Head – Corporate Affairs & Regulatory**

***Noida Software Technology Park Limited***

2.1 Stakeholders are requested to give their views on the modification of clauses 1.4 and 1.5 of the DTH Guidelines, as mentioned in para 1.15, prescribing cross-holding/control restrictions. Stakeholders are welcome to suggest other options, if any, with justifications.

Stakeholders are also requested to give their views on the timeframe to be given to the existing DTH licencees to comply with the new provisions and the justification thereof.

NSTPL's Response: We agree to the changes suggested for modification of clauses 1.4 and 1.5 of the DTH Guidelines. Abuse of dominance is extremely prevalent. Competition Commission of India (CCI) has investigated and imposed penalties in several cases on the MSOs for violating the provisions of sections 4(2)(c) of the Competition Act 2002.

MSOs have continuously misused their market power to their advantage while creating barriers of entry for new players and leverage their scale of operations to bargain with as they are in a position to exercise market power in negotiations with the LCOs and broadcasters.

Timeframe of 1 year may be given for the transition.

2.2 Do you agree with the approach discussed in para 1.25, on the aspect of technical compatibility and effective interoperability of STBs among different DTH service providers?

If not, an alternative approach may be suggested with justification.

NSTPL's Response: We agree in principal to the issue of technical compatibility and interoperability of the STBs among different DTH operators as the same will be in the interest of the Subscriber. Licence conditions need to be amended to mandate compliance to the latest BIS specifications specific to the category of STB. The technology and on ground feasibility for interoperability may need to be reviewed. Different DTH operators shall be procuring STBs of different specifications and values. In case a Subscriber migrates, compatibility of the STB will have to be ascertained.

2.3 Do you agree that, in line with the Unified Licence, the licence fee for DTH services should be charged at the rate of 8% of the AGR where AGR be calculated by excluding Service Tax and Sales Tax actually paid to the Government, if Gross Revenue had included components of Sales Tax and Service Tax?

If not, an alternative formulation may be suggested along with justifications.

NSTPL's Response: We agree with the Authority's proposal to charge licence fees for DTH services at the rate of 8% of AGR. This will bring about clarity and transparency in the system and bring parity across board in Telecom and DTH services. The advantage of DTH operators having different rates for different circles would also be purged.

2.4 Do you agree with the approach discussed in para 1.39, for arriving at the quantum of migration fee to be charged from the existing DTH licencees on their migration to the new DTH licencing regime?

If not, an alternate formulation may be suggested along with justifications.

NSTPL's Response: NSTPL's Response: We agree to the approach for arriving at the quantum of migration fees. Further, a non-refundable fees should be charged on extension/ renewal of licence for the next period of extension as has been done for the Unified Licence. There is no need for PBG or imposition of roll out obligations.

2.5 Do you agree with approach regarding migration of existing DTH licencees to a new licensing regime, discussed in para 1.41?

If yes, how much time, after notification of the new DTH licensing regime, should be given to the existing DTH operators for migration to new DTH licencing regime?

If not, what should be the approach followed for migration of existing DTH operators to a new licensing regime?

Please elaborate your response with justifications.

NSTPL's Response: All the existing operators must compulsorily migrate to the new regime by a specified date after paying the specified migration fees and clearing all dues payable under obligations of existing licence.

A reasonable time frame of 1 year may be provided.

2.6 (i) If any stakeholders has a view that any other provision of the DTH Guidelines requires any change or any provision is required to be added to these guidelines, the same be suggested along with justifications.

(ii) In light of the fact that a new DTH licensing regime is being discussed, stakeholders may also give their modified views, if any, on the issues that have been discussed in the consultation paper dated 1st October 2013.

NSTPL's Response: We welcome the suggestions brought forth the Consultation paper. Further, we suggest that the Regulator may consider the issue of pilferage of Set top boxes from states where Entertainment tax is being levied to states where Entertainment tax is not being levied and seek industry opinion on the same.