

**COMMENTS BY**  
**DEN NETWORKS LIMITED**  
**ON THE CONSULTATION**  
**PAPER ON ISSUES RELATING**  
**TO UPLINKING AND**  
**DOWNLINKING OF**  
**TELEVISION CHANNELS IN**  
**INDIA**



## PREAMBLE

At the outset, we at **DEN NETWORKS LIMITED** (DEN) wish to express our sincere gratitude to the Telecom Regulatory Authority of India (the Authority) for its support, cooperation in the establishment and growth of Broadcasting & Cable TV industry in India and also resolving various issues, which have arisen from time to time.

In continuation with its vision for growth, streamlining and revamping the said industry, the Authority has been pro-actively working towards resolving various issues that have been arisen in the due course of operations of the stakeholders, be it the Multi System Operators (MSOs), Broadcasters, Cable Operators etc.

Now, keeping the view that the change in technology, market scenarios and the lessons learnt in the last few years of their operations, there is a need to review/amend the some of the provisions of the Uplinking and Downlinking guidelines to ensure healthy growth of the broadcasting sector, accordingly, the Authority has come up with a Consultation Paper on “Issues relating to Uplinking and Downlinking of Television Channels in India” to understand the view of the Industry players.

We specially thank the Authority for providing us an opportunity to submit our response on the same.

## COMMENTS ON THE CONSULTATION PAPER ON ISSUES RELATING TO UPLINKING AND DOWNLINKING OF TELEVISION CHANNELS IN INDIA

### Definition of 'News and Current Affairs channels' and Non-'News and Current Affairs Channels'

**4.1** Is there any need to redefine “News and Current Affairs TV channels”, and Non-News and Current Affairs TV channels” more specifically? If yes, kindly suggest suitable definitions of “News and Current Affairs TV channels” and Non-News and Current Affairs TV channels” with justification.

**DENs Response:** It is submitted that there is no need to redefine “News and Current Affairs TV Channels” as the existing definition is sufficient and rightly worded.



**Net-worth of eligible companies**

**4.2** Should net-worth requirement of the applicant company for granting uplinking permission, and/ or downlinking permission be increased? If yes, how much should it be? Please elaborate with appropriate justification.

**DENs Response:** It is submitted that the current requirement is apt. Therefore, any increase in the same would deter first generation or we can say, new entrepreneurs thereby adversely impacting the healthy competition.

**4.3** Should there be different net-worth requirements for uplinking of News and non-News channels? Give your suggestions with justification?

**DENs Response:** It is submitted that the current requirement is apt. Therefore, any increase in the same would deter first generation or we can say, new entrepreneurs thereby adversely impacting the healthy competition.

**Processing fee for application**

**4.4** Is there any need to increase the amount of non-refundable processing fee to be deposited by the applicant company along with each application for seeking permission under uplinking guidelines, and downlinking guidelines?, What should be the amount of non-refundable processing fee? Please elaborate with justification.

**DENs Response:** It is submitted that the current processing fee of Rs.10,000/- is very low and it should be increased to Rs. 5,00,000/- to deter non-serious players to apply.

**Grant of license/ permission for Satellite TV Channels**

**4.5** Whether auction of satellite TV channels as a complete package similar to FM Radio channels is feasible? If yes, then kindly suggest the approach.

**DENs Response:** It is submitted that as both the business models are completely different, auction of satellite TV channel as a complete package should not be allowed. In case of satellite TV channels even there are different genre and auction of each genre will not only be a tedious process would derail the whole broadcasting sector.

**4.6** Is it technically feasible to auction individual legs of satellite TV broadcasting i.e. uplinking space spectrum, satellite transponder capacity, and downlinking space spectrum? Kindly explain in detail.



**DENs Response:** It is submitted that auction individual legs of satellite TV broadcasting i.e. uplinking space spectrum, satellite transponder capacity, and downlinking space spectrum is not feasible. It may be technically feasible but practically it will create havoc in the sense that use of a particular uplinking satellite spectrum and the corresponding satellite transponder capacity are tightly coupled with each other i.e. the satellite transponder capacity allocated to a company cannot be used without corresponding uplinking satellite spectrum, and similarly, a particular uplinking satellite spectrum, beamed towards a particular satellite, is of no use if the corresponding right to use of that satellite transponder capacity is not available with the same entity. Therefore, for success of satellite TV broadcasting, it is important to ensure that right to use for a satellite transponder capacity and corresponding uplinking, downlinking satellite spectrum are allocated to the same entity.

**4.7** Is it feasible to auction satellite TV channels without restricting the use of foreign satellites, and uplinking of signals of TV channels from foreign soil? Kindly suggest detailed methodology.

**DENs Response:** Please refer to our answer for point no. 4.5 above.

**4.8** Is it advisable to restrict use of foreign satellites for satellite TV broadcasting or uplinking of satellite TV channels, to be downlinked in India, from foreign soil?

**DENs Response:** It is submitted that there should not be any restriction.

**4.9** Can there be better way to grant license for TV satellite channel than what is presently followed? Give your comments with justification?

**DENs Response:** It is submitted that the existing practice for grant of license for TV satellite channel is working efficiently and there is no requirement for changing the same.

### **Entry Fee and License fee**

**4.10** If it is decided to continue granting of licenses for satellite TV channels on administrative basis, as is the case presently, what should be the entry fee for grant of license for uplinking of TV channels from India, downlinking of TV channels uplinked from India, and downlinking of foreign TV channels? Please suggest the fee amount for each case separately with appropriate justification.

**DENs Response:** It is submitted as follows:



Item	Existing	Recommended	Justification
Entry Fee for Uplinking of TV Channel from Indian Soil	Nil	Rs.5 Lakhs	To deter non serious players to enter the market
License Fee for Uplinking of TV Channel from Indian Soil	Rs. 2 lakhs per annum	Rs. 5 lakhs per annum	To deter non serious players to enter the market
Entry Fee for Downlinking of TV Channel uplinked from Indian Soil	Nil	Rs.5 Lakhs	To deter non serious players to enter the market
License Fee for Downlinking of TV Channel uplinked from Indian Soil	Rs. 5 lakhs	Rs. 10 Lakhs per annum	To deter non serious players to enter the market
Entry Fee for Downlinking of TV Channel uplinked from Foreign Soil	Rs.10 Lakhs	Rs.20 Lakhs	To deter non serious players to enter the market
License Fee for Downlinking of TV Channel uplinked from Foreign Soil	Rs. 15 lakhs	Rs. 25 Lakhs per annum	To deter non serious players to enter the market

**4.11** What should be the license fees structure, i.e. fixed, variable, or semi-variable, for uplinking and downlinking of satellite TV channels? Please elaborate if any other license fee structure is proposed, with appropriate justification.

**DENs Response:** Please refer to our answer to point no. 4.10 above.

**4.12** If the variable license fee structure is proposed, then what should be rate of license fee for TV channels uplinked from India and TV channels uplinked from abroad, and what should be the definition of AGR?

**DENs Response:** It is submitted that there should not be any variable license fee levied on TV channels. AGR has been a bone of contention and lot of matter with regard to AGR are sub-judice and any levy of AGR is highly opposed.

**4.13** If the semi-variable license fee structure is proposed, then what should be the minimum amount of license fee per annum for domestic channels (uplinked and downlinked in India), uplink only channels, and downlinking of foreign channels (uplinked from abroad)?

**DENs Response:** It is submitted that such structure is not acceptable.



**4.14** If the fixed license fee structure is proposed, then what should be the license fee per annum for domestic channels, uplink only channels, and downlinking of foreign channels?

**DENs Response:** Please refer to our answer to point 4.10 above.

**4.15** What should be the periodicity for payment of the license fee to the Government? Please support your answer with justification.

**DENs Response:** No Comments

**4.16** What should be the periodicity for review of the entry fee and license fee rates?

**DENs Response:** It is submitted that the periodicity of the entry fee and license fee rates should be every Five years.

#### **Encryption of TV channels**

**4.17** Should all TV channels, i.e. pay as well as FTA satellite TV channels, be broadcasted through satellite in encrypted mode? Please elaborate your responses with justification.

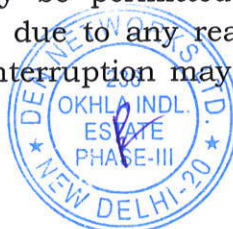
**DENs Response:** It is submitted that as digitization across India is already over, any unencrypted channels should not be allowed at all.

#### **Operationalization of TV channel**

**4.18** Is there a need to define the term "operationalization of TV channel" in the uplinking guidelines, and downlinking guidelines? If yes, please suggest a suitable definition of "operationalisation of TV channel" for the purpose of the uplinking guidelines, and the downlinking guidelines separately.

**DENs Response:** It is submitted that operationalization of a TV Channel means that a satellite TV channels is available on various distribution platforms for a minimum period of six months from the date of downlinking.

**4.19** Maximum how many days period may be permitted for interruption in transmission or distribution of a TV channel due to any reason, other than the force-majeure conditions, after which, such interruption may invite penal action?



What could be suggested penal actions to ensure continuity of services after obtaining license for satellite TV channel?

**DENs Response:** It is submitted that the period of Seven days shall be permitted.

### **Transfer of License**

**4.20** Whether the existing provisions for transfer of license/permission for a TV channel under uplinking guidelines, and downlinking guidelines are adequate? If no, please suggest additional terms and conditions under which transfer of license/permission for a TV channel under uplinking guidelines, and downlinking guidelines may also be permitted? Please elaborate your responses with justification.

**DENs Response:** It is submitted that like other licenses governing the industry like DAS license for MSOs and Postal License for Cable Operators are not transferable, therefore, the license for a TV channel should also not be transferable.

**4.21** Should there be a lock in period for transfer of license/permission for uplinking, or downlinking of a TV channel? If yes, please suggest a suitable time period for lock in period. Please elaborate your responses with justification.

**DENs Response:** It is submitted that it is not applicable as not recommended.

**4.22** Should the lock in period be applicable for first transfer after the grant of license/ permission or should it be applicable for subsequent transfers of license/ permission also?

**DENs Response:** It is submitted that it is not applicable as not recommended.

**4.23** What additional checks should be introduced in the uplinking, and downlinking permission/ license conditions to ensure that licensees are not able to sub-lease or trade the license? Please suggest the list of activities which are required to be performed by Licensee Company of a satellite TV channel and can't be outsourced to any other entity to prevent hawking, trading or subleasing of licenses.

**DENs Response:** It is submitted that as suggested in the consultation paper trade mark registration of the name of channel and logo in the name of licensee company, editorial responsibility of the programs being telecasted, teleport/satellite agreement in the name of licensee company, disclosure of licensee



company name on website of the channel as well as on channel transmission, scheduling of programs etc.

**4.24** Whether specific definition of a teleport is required to be incorporated in the policy guidelines? If yes, then what should be the appropriate definition? Please elaborate responses with justification.

**DENs Response:** No Comments

**Entry fee, Processing fee, and License fee for teleport license**

**4.25** Is there any need to increase the amount of non-refundable processing fee to be paid by the applicant company along with each application for teleport license? If yes, what should be the amount of non-refundable processing fee? Please elaborate with justification.

**DENs Response:** No Comments

**4.26** Should entry fee be levied for grant of license to set up teleport? If yes, what should be the entry fee amount? Please give appropriate justification for your response.

**DENs Response:** No Comments

**4.27** What should be the license fee structure for teleport licensees? Should it be fixed, variable or semi-variable? Please elaborate if any other license fee methodology is proposed, with appropriate justification.

**DENs Response:** No Comments

**4.28** What should be the rate of such license fee? Please give appropriate justification for your response.

**DENs Response:** No Comments

**4.29** What should be the periodicity for payment of the license fee to the Government? Please support your answer with justification.

**DENs Response:** No Comments





**4.30** What should be the periodicity for revision of the entry fee, and license fees rate for teleport licensees?

**DENs Response:** No Comments

#### **Restriction on the number of teleports**

**4.31** Whether there is a need to restrict the number of teleports in India? If yes, then how the optimum number of teleports can be decided? Please elaborate your responses with justification.

**DENs Response:** No Comments

**4.32** Whether any restriction on the number of teleports will adversely affect the availability or rates of uplinking facilities for TV channels in India?

**DENs Response:** No Comments

#### **Location of teleports**

**4.33** What should be the criteria, if any, for selecting location of teleports? Should some specific areas be identified for Teleport Parks? Please elaborate your responses with justification.

**DENs Response:** No Comments

#### **Optimum use of existing teleport infrastructure**

**4.34** Please suggest the ways for the optimal use of existing infrastructure relating to teleports.

**DENs Response:** No Comments

#### **Unauthorised Uplink by Teleport operator**

**4.35** What specific technological and regulatory measures should be adopted to detect, and stop uplink of signals of non-permitted TV channels by any teleport licensee? Please elaborate your responses with details of solution suggested.

**DENs Response:** No Comments



**Any other issue**

**4.36** Stakeholders may also provide their comments on any other issue relevant to the present consultation.

**DENs Response:** No Comments

To conclude our submissions, we once again express our deepest gratitude to the Authority for taking up an exhaustive exercise. Further, we request the Authority to consider our comments/suggestions made above.

In case of any queries or clarification required by the Authority, we further request the Authority to contact Mr. Ashish Yadav –Deputy General Manager – Legal @ [ashish.yadav@denonline.in](mailto:ashish.yadav@denonline.in) DEN Networks Limited.

