



Indiasign Private Limited

5th Floor, Hindi Bhawan,
11, Vishnu Digamber Marg,
New Delhi- 110002 (INDIA)
Tel. : +91-11- 2322 1583-84-85-86
Fax : +91-11- 2323 9908

Dated 5th April,

To:

Dr. J.S. Sharma
Chairman TRAI
Mahanagar Doordanchar Bhawan
Jawhar Lal Nehru Marg
New Delhi-110002

Dear Sir,

Re: Policy issues relating to Uplinking/Downlinking Television Channels in India
(Consultation Paper No:3/2010)

Further to the above we wish to provide with the feedback as attached on various consultation points and ourselves specified in your paper:

Our Company M/s Indiasign Pvt. Ltd. New Delhi is a leading satellite teleport up-linking & DSNG, Flyaway services provider and also one of the largest integrator of satellite teleport uplinking facility, DSNG van and flyaway terminals in India.

The issues for consideration as defined in your paper and our response are attached herewith for your reference.

Thanking you,

Yours truly,

(Rajeev Kumar)
General Manager
Indiasign Pvt. Ltd.
New Delhi



- 4.1 In the present scenario how to determine the maximum number of satellite TV channels possible? Please elaborate with appropriate reasoning.

This issue is related to the availability of resources which according to us is market driven. Transponder capacity will be available on Indian/ foreign satellite as and when there is requirement of the resources. Similarly distribution at MSO level can be resolved for large number of channels if converted into digital mode.

- 4.2 Is it desirable to cap the number of channels? Please justify your response with detailed rationale.

It is not desirable to put a cap on the number of channels due to following reason.

1. India is a vast country with multiple cultures & languages. Language is changing after crossing every hundred kilometer and people from every corner would want entertainment with good programming in their own languages. By putting a cap we are just going to kill the new ideas and depriving the people from new entertainment.
2. In pre- liberalization era there was a cap on producing on all items such as steel, cement and fertilizer etc, in our country by which our growth was strangulating. After liberalization these sectors are growing at much faster rate and are globally competitive. These are playing a very major role in our country growth. Similarly it should be left with the market forces to determine the number of channels as it will create healthy competition and innovation in programming which will be in the interest of viewer at large.
3. This is also relevant that **no Spectrum** is allotted along with channel license by the Broadcast authority. It is arranged by the broadcaster independently either through the Satellite space provider or Satellite teleport services provider for which they pay monthly charges irrespective whether their channel is being up-linked or not . This itself acts as a minimum deterrent for non serious players.
4. Satellite space availability is directly linked with the market demand. If more capacity is needed by the market then both Indian Satellite space services provider ISRO and foreign Satellite operator will make it available by launching new Satellites.
5. Satellite space capacity availability is also a function of technology. This technology is changing very rapidly. In the past where one analog satellite channel needed full transponder capacity for up-linking but now digital **MPEG-2** Technology has made possible to uplink **12-16 channel/ transponder** and now **MPEG-4** can carry up to **18-24 channel/transponder**. Further improvement in modulation technique will increase more number of channels in the same transponder. MPEG technology is basically specifying

the standards and requirement of bandwidth. It is constantly reducing with further developments.

- 4.3 If it is desirable to cap the number, what according to you should be the number in each category?

Question does not arise as explained above in 4.2.

- 4.4 Whether there is a case for putting a cap on the number of teleports/DSNG and uplinking facility in other satellite based distribution networks such as DTH and HITS. If yes, please specify the number along with justification.

There is no case to put cap on number of teleports/DSNG and uplink facilities as:

1. Each teleport uplink provides broadcaster the unique content distribution and unlike DTH same content is not repeated on multiple platforms.
2. India is large country and the broadcasters desire to have uplink facility closest to them so as to reduce the expense for reaching teleport and playout.
3. To cover large area broadcasters need means of connectivity which are not being equitably available over the country. DSNG units are the only viable option to meet their requirement. It should be left with broadcasters to determine the number of DSNG units as they are real users who are providing the viewers live news and coverage of events from the locations instantly.
4. Large number of DSNG vans can operate on limited number of frequency channels available with the broadcaster i.e. each DSNG van may not mean a separate resource in terms of satellite bandwidth availability.
5. Transponder availability is governed by market forces. Non availability of transponder space over India will prompt satellite operators to make available such capacity if viability exists. This has been seen in case of Ku band and C band capacity availability by foreign satellite operators for DTH and teleport uplinking.

There may however be case for cap in terms of HITS and DTH operators as :

Each DTH operation is utilizing multiple resources for similar content uplink across the operators with less possibility of value addition.

- 4.5 Should it be mandated for the broadcasters to switch from MPEG-2 to MPEG-4 encoding w.e.f. a particular date? If, so then what should be that date and if, not then why?

Such issues are driven by market forces. The issue is the one time quantum expenditure increase in IRD distribution to MSO's vs the reduction in recurring charges due to lower bandwidth required for MPEG 4 uplinking. However with the MPEG 4 IRD cost reduction due to large volumes for DTH requirements, the costs may ultimately become similar to MPEG 2 IRD. This will see a large number of new broadcasters shift to MPEG 4 uplinking.

For the existing MPEG 2 uplinked channels it would be the cost of redistribution Vs cost advantage for MPEG 4 uplink.

Eventually as the cost benefit ratio shifts in their favor, all broadcasters will shift to MPEG 4 making available satellite capacity for uplinking additional channels.

- 4.6 Should network requirement of Applicant Company for permission of TV channels under uplinking and downlinking guidelines be enhanced? If yes, how much it should be? Please elaborate with appropriate reasoning.
- 4.7 Should experience of the applicant company be introduced in eligibility criteria? If yes, what do you suggest?
- 4.8 Should experience and expertise of the promoters of Applicant Company be introduced in eligibility criteria? If yes, what do you suggest?
- 4.9 Should the permission fee be enhanced to ensure participation of serious players?
- 4.10 Should one time permission fee be converted into annual permission fee? If yes, what should be the quantum? 4.11 Should a commitment from the applicant company to stay in business for certain period be prescribed?
- 4.11 Should a commitment from the applicant company to stay in business for Certain period be prescribed?
- 4.12 If yes, what should be that period? Please elaborate with appropriate reasoning.
- 4.13 Whether permission of a channel should be revoked in case the channel is closed down for certain fixed period. If so, what should be the period? Should this period be same or different if the non operation is continuous or intermittent?
- 4.14 What should be the policy for renewal of permission of channels under. uplinking/downlinking guidelines? Please elaborate with appropriate reasoning.

Renewal of channel permission should be at the discretion of the broadcaster by paying the requisite fees. An operation of channels commercially is a difficult venture in view of high costs for content production and distribution. It takes a long time for the broadcaster to break even hence automatic renewal of license will enable the broadcasters to take long term view of their business.

- 4.15 Whether transfer of permission to a TV channel under uplinking/downlinking guidelines should be permitted. If so, under what terms and conditions.
- 4.16 Whether India should be developed as a Teleport/hub centre for channels uplinking, which are not meant for viewing in India. In such case, should the channels be covered under uplinking and downlinking guidelines?

India should be developed as a teleport /hub centre for channel uplinking in the interest of business potential that may exist due to lower manpower and operating costs in India similar to call centre operations. This activity may also lead to business generation in content production. This will create next level growth in Indian broadcasting industry and generate more employment in our country and it will bring more foreign exchange earnings which will enhance our country growth.

Government permission on uplinking should not be applicable as these channels as these channels are not meant for Indian viewers however same rule should be applicable for them if they want to downlink here for Indian viewers . Frequency usage may however still be regulated.

- 4.17 If India is to be developed as a Teleport/hub centre for channels uplinking, then what facilities should be provided to the companies to make India a Teleport/hub centre for uplinking of channels? Whether this will in any way adversely affect the transponder availability for uplinking of TV channels to be viewed in India.

If India is developed as a teleport/hub centre for channel uplinking, the following facilities may be provided:

1. Concept of Service Export Zones may be developed to provide for additional infrastructural requirements to enable the service provider to offer world class services. All benefits such as tax holiday which are applicable to Software Export Zones may be applicable.
2. Easy funding for such projects through financial institutions.

3. Income tax and service tax exemption on royalty for foreign satellite usage.
4. Open sky policy to enable hiring of transponder space on any satellite.

This activity may not adversely affect transponder availability for uplinking Channels to be viewed in India as:

1. Channel uplinking may be carried out on satellites different than the ones used by Indian Broadcasters.
 2. Transponder availability is governed by market forces. Non availability of transponder space over India will prompt satellite operators to make available such capacity if viability exists. This has been seen in case of Ku band and C band capacity availability by foreign satellite operators for DTH and Teleport uplinking.
- 4.18 Any other related issue, you would like to comment upon or suggest.**

Teleport license may be classified based on the nature of utilization i.e :

1. Teleports for captive usages i.e. for uplinking channels owned by the teleport operator.
2. Teleports for uplinking services i.e. for uplinking channels for any broadcaster.

The requirement of each one of these may have different setup and may also have different commercial implications. It is not advisable to uplink from a facility owned by another broadcaster. Neutrality of service provider is desirable and to be maintained. It is possible only if the service provider have no interest in content broadcasting. Captive use teleport may not be allowed to offer services to other broadcaster. This separation based on Utilization will make satellite teleport uplinking services more healthy and viable.