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भारत सरकार
सूचना और प्रसारण मंत्रालय
शास्त्री भवन, नई दिल्ली-110001
GOVERNMENT OF INDIA
MINISTRY OF INFORMATION & BROADCASTING
SHASTRI BHAWAN, NEW DELHI-110001
30th November, 2012

Dear Dr. Khullar,

Kindly refer to your DO Letter No. LA:5-15/2008-Legal Dated 12th November 2008 in which recommendations of TRAI on the subject titled ' Issues relating to entry of certain entities into broadcasting and distribution activities' were sent to this Ministry.

2. In this regard, I am to mention that the issue of granting permission to the State Government or its organs to run Cable TV Network has been drawing attention of this Ministry from time to time particularly with reference to the TRAI recommendations for restricting such entities to enter into broadcasting and distribution activities. It may be mentioned that in the past this Ministry had rejected the requests of several State Government's proposals seeking permission of this Ministry for carrying out various broadcasting and distribution activities viz. (i) Proposal of Government of Punjab for setting up a TV Broadcasting Station (ii) Proposal of Government of Andhra Pradesh for distribution of Ku Band signals of Mana TV through cable operators. (iii) Proposal of Government of Gujarat for operating DTH educational channels.

3. Besides, Ministry of Human Resource Development has been approaching this Ministry to allow them or the institutions under it or any agency authorized by it to uplink and downlink television channels for telecasting education content, as envisaged in National Mission on Education through Information and Communication Technology (NMIECT), on their Direct-to-Home(DTH) platform within the country by relaxing relevant provisions of the extant guidelines of uplinking / downlinking and DTH of Ministry of Information and Broadcasting. The required permission has not been given to HRD.

4. It is pertinent to mention here that with the amendment in the Cable Television Networks (Regulation) Act, 1995, the digitisation of Cable Television Networks has already begun in the country in a phased manner. In the first phase digitisation with addressability has already been implemented in Metro cities of Delhi, Mumbai and Kolkata while the matter is subjudice in Chennai. The complete switch over in the entire country is expected to be achieved by December 2014. Digitalization of Cable TV Network is set to revolutionize the Broadcasting Industry in general and Cable TV Sector in particular.

5. As you are aware, as per the extant provisions, all MSOs are liable to obtain fresh permission from the Central Government for operating as MSO in DAS notified areas. M/s Arasu Cable TV Corporation Pvt. Limited was earlier granted provisional permission to operate as MSO in CAS regime. Accordingly, they have applied for obtaining Registration to operate as MSO in the DAS notified areas of Chennai. Before, a conscious decision is taken in the matter of Arasu Cable, it would be appropriate to decide beforehand whether the State Government Entities should be allowed in the business or not.

6. As per extant policy guidelines for uplinking and downlinking of Television Channels, an applicant seeking permission to set up an uplinking Hub / Teleport or Uplink/downlink a TV Channel should be a company registered in India under the Companies Act, 1956 irrespective of its management control. Under such scenario, a Central/State Government or its organs may form a company to enter into the business of broadcasting and distribution of TV channels, which would be in conflict with the spirit of TRAI recommendations.

7. TRAI vide its recommendations on "Issues relating to entry of certain entities into Broadcasting and Distribution activities" dated 12.11.2008 has expressed their views that the State Government and their organs may not be permitted to enter into broadcasting and distribution activities. However, TRAI recommendations are silent about the entry of following entities:

- (i) Central Government Ministries and Departments / Central Government owned companies / Central Government undertakings / Joint venture of the Central Government and the private sector / Central Government funded entities.
- (ii) State Government Departments/ State Government owned companies / State Government Undertakings / Joint venture of the State Government and the private sector / State Government funded entities.

8. Given the above facts, I am to request you to kindly provide your recommendations as to whether the following may be allowed to enter into the business of broadcasting and or distribution of TV Channels and also suggest whether any change is required to be carried out in any of the extant Rules & Regulations and Guidelines to address the matter suitably:

- (i) Central Government Ministries and Departments / Central Government owned companies / Central Government undertakings / Joint venture of the Central Government and the private sector / Central Government funded entities.
- (ii) State Government Departments/ State Government owned companies / State Government Undertakings / Joint venture of the State Government and the private sector / State Government funded entities.

Regards,

Yours sincerely,

Uday Kumar Varma
(Uday Kumar Varma)

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