

No.1403/05/2023-TV (I)
Government of India
Ministry of Information & Broadcasting
'A' Wing, Shastri Bhawan, New Delhi - 110001

Dated: 01.09.2023

OFFICE MEMORANDUM

Subject: Clarification regarding minimum net worth requirement for 'Downlink Only' satellite TV Channels under the Policy Guidelines for Uplinking and Downlinking of Satellite Television Channels in India, 2022 -reg.

This Ministry has received representations from broadcasters having permission for 'Downlink only' TV channels who are struggling to meet the revised minimum net worth requirement as per the revised Guidelines for Uplinking and Downlinking of Satellite Television Channels in India, 2022 issued on 09.11.2022. As per Policy Guidelines, 2022, the networth requirement for 'Downlink Only' channel had been increased viz-a-viz policy guidelines, 2011 as below:

(Amount in Crores)				
Sl. No.	Item	Minimum Net Worth as per 2011 guidelines	Minimum Net Worth as per Policy Guidelines 2022	
1.	For Downlinking of First (Non-News or News & Current Affairs) Television Channel	5.00	First News	20.00
			First Non-News	5.00
2.	For Downlinking Each Additional TV Channel	2.50	Additional News	5.00
			Additional Non-News	2.50

2. Existing permission holders have brought to the Ministry's attention the following issues, namely:

- (a) That they serve as exclusive distributors of 'Downlink only' TV channels wherein they serve solely as intermediaries responsible for channel distribution to DTH and cable operators. They do not engage in content creation or editorial control. Their function is essentially that of a conduit for transmitting content, and thus, the need for a high net worth is unwarranted.
- (b) Further, for international channels, it has been pointed out that the downlinking permission is obtained through a local agent. The agent's primary responsibility is to ensure compliance with regulatory guidelines and distribute the channel to operators. Their income primarily comes from distribution fees, making their role more about logistics and administration rather than substantial financial investment. These distributors do not engage in producing or curating content, eliminating the need for investment in content creation infrastructure. As a result, the financial burden associated with maintaining a significant net worth is disproportionate to their role and responsibilities.

Contd..

- (c) The operations of 'Downlink only' distributors involve basic logistics, such as managing transmissions, negotiating with operators, and ensuring regulatory compliance. This typically requires a small office space and minimal staff, making the need for an extensive net worth unnecessary. Thus, requiring a high net worth could potentially divert financial resources away from actual distribution operations.
- (d) 'Downlink only' distribution is often an attractive business venture for Micro, Small, and Medium Enterprises (MSMEs) due to its manageable operational requirements and revenue potential. Imposing a high net-worth requirement could deter such entities from entering the market, limiting healthy competition and innovation.

3. The representation of these 'Downlink only' TV channels has been considered by this Ministry and in order to remove the genuine difficulties faced by such broadcasters, it is hereby clarified that in partial modification to the Guidelines for Uplinking and Downlinking of Satellite Television Channels in India, 2022 and O. M. dated 29.03.2023 of MIB in this regard, the net worth requirement for '**Downlink only**' TV Channels will be exempted from the increase as mandated in the Policy Guidelines of 2022 only if the permission holder is in the nature of an agent/ distributor and not a content creator/ aggregator.

4. This OM is issued under Clause 37 of the Uplinking and Downlinking Guidelines, 2022 and has the approval of the Competent Authority in the Ministry.

Vrunda Desai
11/9/23
(Vrunda Manohar Desai)
Director (BC)

Encl: As above.

To

1. All Private Satellite TV Channels & their Associations
2. All Teleport Operators