

What Is DTH service and its difference with analog?

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In news

Union Cabinet approved 100% FDI in DTH services

The salient features of the decision are:

- Union Cabinet approved revised guidelines for Direct-to-Home (DTH) broadcasting services, allowing 100 per cent foreign direct investment (FDI) as well as increasing the licence period to 20 years
- License for the DTH will be issued for a period of 20 years in place of present 10 years. Further the period of License may be renewed by 10 years at a time.
- License fee has been revised from 10 percent of gross revenue (GR) to 8 percent of adjusted gross revenue(AGR). AGR will be calculated by deduction of GST from GR.
- License Fee will be collected on quarterly basis in lieu of a presently annual basis.
- DTH operators shall be permitted to operate to a maximum of 5 percent of its total channel carrying capacity as permitted platform channels. A one-time non-refundable registration fee of Rs.10,000 per PS channel shall be charged from a DTH operator.
- Sharing of Infrastructure between DTH operators. DTH operators, willing to share DTH platform and transport stream of TV channels, on a voluntary basis, will be allowed.
- Distributors of TV channels will be permitted to share the common hardware for their Subscriber Management System (SMS) and Conditional Access System (CAS) applications.

- The cap of 49% FDI in the existing DTH guidelines will be aligned with the extant Government (DPIIT's) policy on FDI as amended from time to time.
- The decision will come into effect as per revised DTH guidelines are issued by the Ministry of Information and Broadcasting
- The proposed reduction is intended to align the license fee regime applicable to Telecom sector and will be prospectively applied.
- The difference may also enable DTH service providers to invest for more coverage leading to increased operations and higher growth and thereby enhanced and regular payment of License Fee by them. Registration fee for Platform Services is likely to bring a revenue of approximately Rs. 12 Lakhs.
- Sharing of infrastructure by the DTH operators may bring in more efficient use of scarce satellite resources and reduce the costs borne by the consumers.
- Adoption of the extant FDI policy will bring in more foreign investment into the country.

Significance of the move

The DTH is operable on pan-India basis. DTH sector is a highly employment intensive sector. It directly employs DTH operators as well as those in the call centres besides indirectly employing a sizeable number of installers at the grass-root level. The amended DTH guidelines, with longer license period and clarity on renewals, relaxed FDI limits, etc., will ensure fair degree of stability and new investments in the DTH sector along with employment opportunities.

What are DTH services and its difference with analog?

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| Direct-to-home (DTH) Broadcasting Service | Analog/Cable transmission |
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| <p>In India, direct-to-home (DTH) Broadcasting Service refers to the distribution of multi channel TV programmes in Ku Band by using a satellite system by providing TV signals direct to subscribers' premises.</p> | <p>Analog transmission is a transmission method of conveying information using a continuous signal which varies in amplitude, phase, or some other property in proportion to that information</p> |
| <p>DTH is an encrypted transmission that travels to the consumer directly through a satellite.</p> | <p>In an analog television broadcast, the brightness, colors and sound are represented by amplitude, phase and frequency of an analog signal</p> |
| <p>DTH transmission is received directly by the consumer at his end through the small dish antenna. A set-top box, unlike the regular cable connection, decodes the encrypted transmission.</p> | <p>For example cable TV operates on just analog signals</p> |
| <p>It reaches even the most isolated locations</p> | <p>Reaching remote areas is not possible with cable TV as it requires the subscriber to be within the available range of the cable network</p> |