Amendment to The Sports Broadcasting Signals Act

Why in news?

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The government recently made a proposal to amend The Sports Broadcasting Signals Act, 2007.

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What is the recent proposal?

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- According to the Sports Broadcasting Signals (Mandatory Sharing with Prasar Bharati) Act, 2007, no private rights holder can telecast a "sporting event of national importance" live in India unless it simultaneously shares the signal, without any advertisements, with Prasar Bharati.
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- Some of the important events that come under the national importance rubric include –
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1. National cricket matches
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2. The semi-finals and finals of the football World Cup
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3. Certain Grand Slam tennis matches and hockey fixtures
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4. The Asian Games
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5. Commonwealth Games
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6. The Summer Olympics
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- The public broadcaster can re-transmit the same only on its own terrestrial

network and direct-to-home platform DD FreeDish.
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- Under this Act, Prasar Bharati is also not obligated to show the logo of the rights holder's channel and can generate its own pre- and post-match programmes.
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- The Act also forces the rights holder to share 25% of its television advertisement revenue with Prasar Bharati (50% in case of radio).
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- The government has now proposed that Indian television viewers should be able to watch sporting events of national importance on Doordarshan **on all** terrestrial networks, DTH networks and other platforms where it is mandatory to broadcast these channels.
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- This is done at the backdrop of people watching these sporting events on highly priced sports channels when they do not have either DD FreeDish or Doordarshan's terrestrial network.
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- Hence the objective of this amendment is to ensure inclusion and affordability in sports viewership with which the Parliament had enacted the Sports Act of 2007.
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What are the concerns?

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- Private broadcasters faced a major hurdle in the form of Cable Television Networks Act last year.
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- Under Section 8 of the act, all cable operators must carry two Doordarshan channels.
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- This meant that cable companies gained access to key sporting events both through the private broadcasting channels, for which viewers have to pay, and also via Doordarshan channels, which are free.
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- This created an asymmetrical playing field since subscribers were unlikely to pay for events they can view for free in doordarshan channel.
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- Pay TV operators also misused the provision by giving FTA (free-to-air) channels to paying subscribers, charging money from them and not sharing

it with the broadcasting rights holder.
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- This has resulted in less viewership for private broadcasting channels and also affecting their sizeable revenue.
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- To avoid this, the Supreme Court ruled that Doordarshan could air those feeds only on its terrestrial network and its own direct-to-home (DTH) platform, Free Dish and not to other platforms.
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- This made these borrowed feeds getting restricted to the homes, which get DD network signals via terrestrial or direct to home networks.
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- The government recently reverted back this ruling and hence homes which get Prasar Bharati (Doordarshan) channels on cable also get access free to the live broadcast.
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- Private broadcasters are unlikely to be pleased with this proposal, considering the amount of money they spend on media rights of sporting events, especially in cricket.
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- Star India acquired the media rights for the popular Indian Premier League in a five-year deal worth a record Rs 16,347 crore last year.
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- Star India also purchased the media rights for the Indian cricket team's home matches till 2023 for a record Rs Rs 6138.1 crore earlier this year.
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- Also, the Act allows the government to notify a sporting event as being of "national importance".
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- This will pave the way for arbitrary selection by the government like the possibility of attaching IPL under its ambit.
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- Thus the welfare instincts of this amendment is no stronger and effective, even though it involves a large amount of corporate investments.
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What should be done?

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- The amendment betrays a lack of understanding of the underlying business model in sports broadcasting.
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- Doordarshan covers every TV home in the country, so those who cannot afford to pay admittedly expensive subscription fees for sports get a good opportunity to view them.
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- The amendment is proposed to ensure that sporting events of national importance reach out to larger audience on a free-to air basis.
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- But the private broadcasters earn their revenues by airing in television mode where the money is to be made for the rights they received.
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- This made them to argue against this amendment as they pay billions of rupees to bid for the rights to broadcast these events.
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- Thus the government should try to ensure a balance between the interests of the investors and those of the common public.
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Source: Business Standard

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