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TRAI/FY24-25/10

Dated: 30.04.2024

To,

**Shri Tejpal Singh, Advisor (B&CS)**  
**Telecom Regulatory Authority of India,**  
Mahanagar Door Sanchar Bhawan,  
Jawahar Lal Nehru Marg,  
New Delhi – 110 002

**Subject: Response to the Consultation Paper on “Inputs for Formulation of National Broadcasting Policy - 2024”**

Dear Sir,

This is in reference to TRAI’s Consultation Paper on “**Inputs for Formulation of National Broadcasting Policy - 2024**” dated 02.04.2024 (CP No. 03/2024).

In this regard, please find enclosed our response for your kind consideration.

Thanking You,

Yours’ Sincerely,

**For Bharti Airtel Limited**

A handwritten signature in blue ink, appearing to read 'Rahul Vatts', is written over a faint circular stamp.

Rahul Vatts  
Chief Regulatory Officer

Encl: a.a

**Copy to:**

Secretary, TRAI  
Member, TRAI  
Principal Advisor (B&CS), TRAI

## Response to TRAI Consultation on Inputs for Formulation of National Broadcasting Policy



### Preamble

1. Airtel thanks the Telecom Regulatory Authority of India (TRAI) for providing it with the opportunity to submit comments on TRAI's Consultation Paper, '*Inputs for Formulation of National Broadcasting Policy*', released on 02 April 2024. We laud TRAI's initiative and efforts made towards compilation of a forward-looking strategy document to achieve policy objectives as suggested in the paper. The present consultation is critically important to holistically address the financial health of the broadcasting sector and review of the current bottlenecks.
2. Particularly, we welcome TRAI's endeavor to provide a common approach for licenses, oversight, and compliances in the broadcasting sector for reaping the benefits of convergence indicating a more uniform approach to traditional and digital mediums.
3. The National Broadcasting Policy (NBP) is an important tool for sector's growth, by bringing forth policy principles to guide the development of the sector and increase its contributions to the Indian economy.
4. Today, the DTH industry is facing enormous hardships even in its basic survival. The problem is further exacerbated when the same content is distributed across different platforms viz. DTH, FreeDish and broadband at different prices. The Regulator needs to evolve and keep pace with the technological advancements & market dynamics. We hope that NBP will present an opportunity for making this significant policy change and bring parity in regulation of all broadcast content delivery platforms.

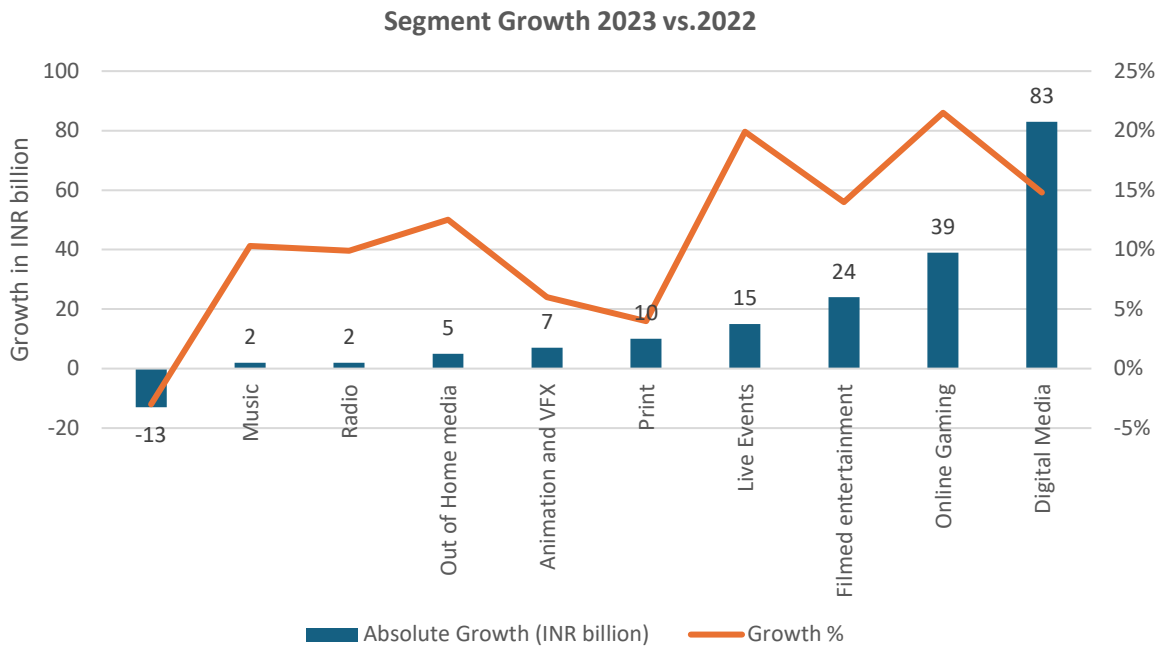
### The Media Sector holds significant potential for growth.

Broadcasting is the key constituent of India's dynamic M&E sector and holds immense potential for growth. Airtel firmly believe that India's broadcasting industry will be a major driving force in the economic and social development of the country for job creation, innovation, contribution to the GDP, inclusion, and empowerment of its citizens, etc.

There are 898 registered TV channels and 386 private radio channels catering to 165 million TV households and over 200 million weekly radio listeners. In 2023, the Indian M&E sector expanded by 8%, reaching a value of INR 2.3 trillion (US\$27.9 billion). Notably, 70% of this growth originated from new media, which now comprises 38% of the sector. Digital Media demonstrated the highest growth, contributing INR 83 billion to the overall growth.

However, it is important to note here that the **only segment that witnessed a decline in growth was pay television**. All other broadcast segments registered growth in 2023. Today, PayTV sector is at a stage where, admittedly, it is losing subscribers as well as revenue. India's TV viewership has been on a decline, with a fall of over 10 million pay television (DTH) homes over the last few years

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Source: FICCI EY 2024 Report titled '#Reinvent: India's Media & Entertainment Sector

**Why is there a decline in the PayTV segment?**

India's M&E landscape is undergoing significant changes, driven by advancements in technology and shifts in consumer behavior. Traditional broadcasters, cable companies, and telecommunications providers are increasingly converging to offer bundled services that include TV, internet, and mobile.

However, within this vibrant sector, lies a concerning trend of declining subscriptions and revenues in the DTH sector, which is operating in an intensely competitive environment with perfect substitutable players in the market, like OTTs and DD Free Dish, which are operating without regulatory oversight, creating a discriminatory situation.

**Current regulatory provisions are creating a disparity in a technology-neutral environment – impacting the pay TV operators (particularly DTH)**

Due to technological developments and convergence, the same content can now be delivered using multiple mediums. However, the regulatory treatments governing the same are different, thereby creating a non-level playing field.

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The differential regulatory approach can be understood through the following table:

Mode of Content delivery / access (e.g Content is a Live Channel / Sports)	Content rides on (underlying bearer)	Is Mode regulated (Y/N) – Need License or Registration	Pays License Fee (Y/N)	Tariffs Regulated (Y/N)	Licensed under & regulated by (for access & carriage)
DTH	Satellite & Dish	Yes (License)	Yes (8%)	Yes	MIB & TRAI
MSOs / Cable TV	Satellite / Dish & Cable / Fiber	Yes MSO (License); Cable (Registration)	No	Yes	MIB & TRAI
IPTV	Fiber	Yes (License)	Yes** (8% / 0%)	Yes	DoT/MIB & TRAI
HITS	Satellite / Dish & Cable / Fiber	Yes (License)	No	Yes	MIB & TRAI
DD Free Dish	Satellite & Dish	No	No	No	Under Prasar Bharti Act (no TRAI regulation apply on it)
Broadcast content being delivered over broadband through an application	Highspeed broadband (Wireless / Wireline)	No	No	No	No

\*\* As per media reports Government is likely to exempt the revenue from IPTV from LF under UASL/ISP license

- a. Platforms like OTTs and DD Free Dish provide the same content as provided by DTH operators to subscribers with no commensurate obligations of any kind. This is the result of the same content either being made available for free (on DD Free to Air) or provided on the same screen through a broadband pipe at unregulated prices (on OTT platforms) and differential regulatory treatment. This is against the basic premise of TRAI's endeavour to have a balanced regulatory framework.
- b. This incentivizes customer switching thereby putting revenue pressure on DTH operators who have no other option but to charge subscribers. **There's OTT at the top of the pyramid, and there's DD Free Dish at the bottom. In the middle, private DTH services are getting squeezed.**
- c. This entirely unequal, discriminatory situation has created several regulatory loopholes/lacunae that are easily exploited by unregulated players. While on one hand these players are benefiting from

these regulatory gaps as they don't fall under the ambit of the TRAI, on the other hand it has brought the fully regulated DTH industry on the verge of almost collapse.

- d. This clearly shows that the DTH industry is operating in an intensely competitive environment where different players are offering perfectly substitutable broadcasting services. The Authority should ensure all the service providers (OTTs, DTH, Cable TV, Free Dish) rendering similar services should be subject to the same set of rules and regulations.

However, the issue extends beyond this point. The convergence of technologies, without a corresponding convergence in governance, has led to a distinct set of challenges, outlined as follows:

- a. **Violation of “Must Provide” Principle:** TRAI introduced the principle of must provide to ensure broadcasters provide content to all distribution platforms on a non-discriminatory basis. However, it becomes inapplicable in cases where the same broadcast content (as shown on registered distribution platforms) is being carried over broadband as a medium.
- b. **Violation of MIB Downlinking Policy:** As per MIB's Downlinking Policy, the broadcaster is under an obligation to provide services only through registered DPOs (such as DTH providers, etc.). By providing broadcast content to unregistered digital distribution platforms, the broadcasters are violating the Downlinking Policy which needs to be addressed by MIB and TRAI.
- c. **Violation of MIB Cross Holding Restriction:** MIB does not permit a DTH licensee to allow broadcasting and/or cable network companies to collectively hold/own more than 20% of the total paid up equity in its company at any time during the licence period –or vice versa. However, no such restriction exists for other platforms. Some stakeholders have unfettered ownership and control of all parts of the broadband and broadcasting value chain including content and carriage, which creates monopolies.

These anomalies lead to risks such as exclusionary and discriminatory impact for subscribers who may not be able to access the same broadcast content on their choice of delivery medium. Therefore, to cope with the competitive constraint from unregulated platforms, there is a pressing need to bring about 'Regulatory parity' among all delivery platform operators in the National Broadcast Policy.

The National Broadcast Policy should amend the current regulatory framework to ensure any platform which offers similar content as offered by the regulated distribution platforms should equally be brought under a similar regulatory regime - irrespective of technology. There should be no blocking of access/content by any one player in the value chain, which will ensure transparency and a level playing field. Regulatory arbitrage should not allow an entity to cause restrictions on the availability of content on other distribution platforms; or control pricing of the content to discriminate against other Distribution platforms.

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With the above context, it is imperative that TRAI consider certain critical aspects when drafting the National Broadcast Policy (NBP) and address these regulatory/policy gaps such that they lead the overall sector on its growth path in an orderly manner.

**In summary:**

- ✓ **NBP must acknowledge convergence in broadcast regulations and ensure that the regulatory framework includes all modes of delivery of broadcast content across all platforms – at the same price – irrespective of technology.**
- ✓ **The policy should amend the current regulatory framework to ensure any platform which offers similar content as offered by the regulated distribution platform, should equally be brought under a similar regulatory regime – irrespective of technology.**
- ✓ **In order to ensure a level playing field for all service providers (including Prasar Bharti), similar terms and conditions should be applicable to all distribution platforms under all the provisions of the Act. In this context, the NBP should ensure that there is no regulatory bar on any operator on providing a service akin to DD Free Dish to address market needs and making television services more accessible and affordable.**
- ✓ **The NBP should address pre-existing EoDB concerns faced by the broadcast sector and focus on regulatory forbearance and simplification of regulatory framework.**

Airtel now provides its views on the vision, mission and broad objectives of the National Broadcasting Policy and question-wise responses in detail in the subsequent section.

**Q1. Stakeholders are requested to provide their inputs in framing the Preamble, Vision, Mission, and Broad Objectives for the formulation of the National Broadcasting Policy (NBP).**

**Airtel's Response:**

As highlighted in the Preamble section of our response, the DTH sector is reeling under excess regulation, which is leading to a decline in its revenue and viewership. At the same time, the problem is further

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exacerbated due to intense competition from perfectly substitutable players such as OTT platforms and DD FreeDish, who remain outside the purview of the extant regulatory framework.

Given the advancement of technologies and convergence of the telecom, information technology and broadcasting sectors, the formulation of the National Broadcasting Policy presents an opportunity to bring parity in regulation of all content delivery platforms and set the tone for the planned development and growth of the Broadcasting sector.

The recommended structure for formulation of the Policy is as follows:

- a. Preamble:** The broadcasting sector holds a pivotal role in shaping the socio-cultural and political landscape of a nation. Recognizing the immense power and responsibility vested upon the broadcasting entities, it is imperative to establish a policy that ensures fair, transparent, and responsible broadcasting in the interest of the public.
- b. Vision:** To create an inclusive, transparent, technology-neutral, and responsible broadcasting ecosystem that promotes level playing field amongst all operators and ensures every citizen has access to unbiased, diverse, and high-quality content, with a view towards positioning the country as an unmatched, globally recognized, and relevant broadcasting hub.
- c. Mission:** To regulate, facilitate and nurture a broadcasting environment that empowers consumers with choices, control, and access to a wide range of content and services through various devices, while ensuring regulatory parity across different mediums
- d. Broad principles/objectives for a National Broadcasting Policy:**

- 1. The NBP must create a non-discriminatory, level playing field for broadcasting sector's overall growth.**

The regulatory framework should not favour any one business model over another and ensure regulations do not create barriers to the emergence of more efficient business models. The framework should enable the service providers to meet customer expectations rather than acting as a hindrance that doesn't allow the country to benefit from technological developments.

**Evolution of the broadcast medium requires a unified approach to regulations in the national broadcast policy to ensure that regulations remain relevant, consistent, and effective across all broadcasting mediums, including cable, satellite, and internet-based platforms, creating a level playing field. This approach promotes fairness, competition, consumer protection, and the advancement of national policy goals in a rapidly changing media landscape.**

- 2. The NBP must acknowledge 'Convergence' of technology and services:**

With the proliferation of high-speed telecommunications and broadband networks in India, there is a clear fundamental shift that has taken place in content broadcast. Convergence has taken place over the entire value chain – from underlying technology to service delivery to the end-user.

- a. **Several different technologies deliver the same customer experience.**
- b. **Content consumption is similar across all devices.**

However, the present laws are not adequate to deal with the convergence of the carriage of broadcasting services and telecommunication services as they are not able to account for and reflect the changed market reality. This is also well noted by the Authority itself.

The NBP must ensure that broadcasting regulations remain relevant and responsive to the dynamic media environment, benefitting both broadcasters and consumers. **As the broadcasting ecosystem continues to evolve rapidly, it becomes imperative for the NBP to take lead and acknowledge convergence in broadcast regulations, and ensure that the regulatory framework includes all modes of delivery of broadcast content across all platforms - at same price – irrespective of technology.**

**Defining the responsibilities of various stakeholders and ensuring that they operate within a consistent and equitable regulatory framework will provide regulatory clarity.** Upcoming laws in the form of the Indian Telecommunication Bill, the Digital India Bill, and the Broadcasting Services Bill will likely acknowledge this convergence as well.

### **3. The NBP should focus on not creating market monopolies.**

Cross holding restrictions in broadcasters and distribution platforms are essential to promote healthy competition, diversity of voices, and ensure that no single entity has excessive control over what content is available to consumers. Vertical integration between content and distribution platforms ultimately adversely impacts the plurality of content for consumers, increases the possibility of exclusive content deals, discriminatory distribution & arbitrary pricing for the same content and increases entry barriers for the competitors.

Today restrictions with respect to vertical integration ('cross holding' restrictions) have been imposed only on DTH operators. MIB does not permit a DTH licensee to allow broadcasting and/or cable network companies to collectively hold/own more than 20% of the total paid up equity in its company at any time during the license period –or vice versa. However, no such restriction exists for other platforms.

**The NBP should ensure cross holding restrictions are introduced in broadcasting regulations irrespective of the underlying technology employed rather than imposing it on just one part of the distribution industry. This will ensure that all players, irrespective of technology, operate on a level playing field.**

### **4. The NBP should focus on financial sustainability of the sector.**

**Financial sustainability should be a crucial component of a national broadcast policy.** Today the viability and financial health of DTH operators is a serious concern, wherein admittedly, it is losing subscribers as well as revenue. In this context ensuring financial sustainability of the sector through statutory licensing



and regulatory framework is critical for resolving the issues faced by the DTH sector at present, which, if remain unaddressed, will drive the industry to extinction.

Financial sustainability ensures the ability to provide quality services, maintain technological advancements, and deliver content to consumers efficiently. **This would involve measures to support diverse revenue streams, allowing innovative business models, and having an enabling regulatory framework that prevents market concentration that could undermine sustainability.**

#### **5. The NBP must facilitate the Ease of Doing Business:**

To fuel the next phase of growth in the broadcasting sector, we recommend that the **NBP should focus on regulatory forbearance and simplification of regulatory framework.**

Forbearance is a key foundational principle in regulation. ‘**Regulatory forbearance**’ is not the absence of any regulation, but an evidence-driven approach. It refers to the regulator’s decision to forgo direct intervention if the operation of market forces can achieve desired outcomes and there is no evidence of market failure.

To promote growth in this sector, it is essential that Regulators follow the same light touch regime for the broadcasting sector as was applied in the Telecom sector, thereby leading to tremendous success and growth of that sector. The broadcasting segment will also witness beneficial outcomes if the TRAI opts for forbearance. It will enable orderly growth, reduce prices, improve quality of service, and will ultimately benefit the consumer.

#### **6. The NBP should outline policy principles and avoid prescriptive measures:**

**We recommend that the NBP should be a high-level policy document, which sets out principles and that regulators and other authorities can later use to develop rules and guidelines to meet their objectives within the NBP goal-framework.** This is particularly important as the broadcasting sector involves diverse stakeholders operating in a rapidly changing technological environment.

For instance, the current Regulatory framework was introduced to bring ‘adequate & effective choice to the subscriber at affordable rates’. However, it had the impact of regulating every miniscule aspect of the broadcasting industry. There is an urgent and immediate need to revamp the whole regulatory framework. The DTH industry is operating in a highly complex and unsustainable environment and, therefore, the Authority should allow the market forces to play.

Prescriptive measures or strategies will prevent the NBP from being a future-proof policy. It should prioritize policies that empower consumers with choices, control, and access to a wide range of content and services through various devices, while ensuring parity across different mediums.

#### **7. The NBP should adopt a technology-neutral approach:**

**We recommend that NBP should not favor any specific technology or platform but rather accommodate the evolving landscape of broadcast and digital media.** A technology-neutral policy will ensure a level

playing field for all players in the broadcasting sector, regardless of the technology they use. This will promote healthy competition, preventing any one technology or platform from gaining an unfair advantage over another because of regulatory arbitrage.

**The fundamental principle and objective behind any regulatory framework should be to create a non-discriminatory, level playing field based competitive environment where all the players have equal opportunity to compete and grow irrespective of underlying technology, thereby, resulting in the sector's overall growth.**

#### **8. The NBP must promote innovation:**

The policy should also strike a balance between fostering innovation and safeguarding public interest, diversity, and healthy competition in the sector. The policy must allow for innovative business models like audience measurement, while ensuring responsible and ethical use of consumer data.

#### **9. The NBP should incorporate Regulatory Impact Analysis (RIA):**

RIA provides a structured and systematic approach to evaluating the potential impacts of proposed regulations. It helps regulatory authorities make informed decisions by assessing the likely consequences and benefits of regulatory changes. RIA promotes transparency in the regulatory process, by ensuring regulators document and communicate the rationale behind their decisions, including the evidence and analysis used to support regulatory changes. This transparency builds trust with stakeholders and the public. **Incorporating RIA into National Broadcast Policy underscores a commitment to effective, transparent, and well-informed policymaking.**

**Q2. There exist data gaps in ascertaining contribution towards economy, revenue generation, employment generation, subscription figures etc. in the broadcasting sector which relies heavily on industry studies to carry out research and estimates. What should be the parameters, targets and institutional framework for measurement? Provide your comments with detailed justification. Also provide the indicative metrics used for calculating the targeted figures, if possible.**

#### **Airtel's Response:**

As highlighted in the Preamble section of our response, the Broadcasting sector holds immense potential for growth and is anticipated to be a major driving force in the economic and social development of the country. However, to accurately ascertain the contribution of the broadcasting sector, it is imperative to address any data gaps that presently plague the measurement framework. In this regard, Airtel recommends incorporating the following parameters into the measurement framework:

- **Economic Contribution:** Including metrics such as GDP contribution, total industry revenue and value-added to the economy.
- **Revenue Generation:** Including metrics such as advertising revenue, subscription revenue and revenue from other sources such as licensing and syndication.

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- **Employment Generation:** Parameters could include the number of direct and indirect jobs created within the sector.
- **Audience Reach and Engagement:** Including metrics like viewership ratings, audience demographics and engagement metrics on digital platforms.
- **Content Diversity and Quality:** Parameters could include the diversity of programming, original content production and viewer satisfaction ratings.
- **Technological Advancements:** Metrics may include investments in adoption of new broadcasting technologies, and digital transformation initiatives.

Targets should be set based on industry standards and benchmarks, taking into account factors such as market growth rates, technological advancements and regulatory changes. These targets should be realistic yet ambitious, providing a framework for assessing the sector's performance and progress over time.

In terms of the institutional framework, collaboration between industry stakeholders, government agencies and research institutions is essential. A centralized body or consortium should be established to oversee data collection, analysis and reporting. This body would be responsible for standardizing methodologies, ensuring data accuracy and transparency and disseminating findings to relevant stakeholders.

Additionally, incentives could be provided to encourage participation and compliance with data reporting requirements. This could include tax incentives, funding for research initiatives or recognition for industry leaders in data transparency and accountability.

Overall, addressing data gaps in the broadcasting sector requires a concerted effort from all stakeholders. Having said this, it is also important to add a word of caution here. **The exercise of data gathering and analysis must not become a compliance burden that ends up defeating the intent of Ease of Doing Business. Rather, it should facilitate better decision making for sustainable growth for all stakeholders.**

**Q3. Please suggest the strategies to be adopted by the Government and industry for propelling the growth of broadcasting sector w.r.t. the following:**

- Provisioning of affordable television services in 'TV Dark' households;**
- Augmenting R&D capabilities and promoting indigenous manufacturing of broadcasting equipment;**
- Employment generation with emphasis on skill development;**
- Promotion of innovation led Start-ups and SMEs,**
- Any other related area/strategy Please elaborate with detailed reasoning.**

### **Airtel's Response:**

- Provisioning of affordable television services in 'TV Dark' households.**

To tackle the challenge of television dark households, currently numbering at 100 million homes, we propose a holistic approach aligned with the overarching goal of achieving nationwide connectivity.

**We recommend that private DTH operators should be empowered to introduce innovative services, akin to DD Free Dish, to boost television penetration in rural and remote areas where Pay TV services might not be as prevalent.**

This strategic initiative not only aims to foster a more inclusive television ecosystem in underserved regions but also seeks to rejuvenate the DTH industry within three to five years. Enabling private entities to cater to these segments would envision a future where television access is more widespread, bridging coverage gaps and enriching the viewing experience for all.

In addition to the above, the following strategies will also foster a more inclusive television landscape:

- DPOs should be allowed full forbearance from TRAI NTO to offer affordable Free-To-Air (FTA) package options to make television services more accessible to a wider demographic.
- Implementing tailored pricing for rural markets can help narrow the accessibility gap in these regions.
- Encouraging the reactivation of inactive set-top boxes through incentive schemes can also help expanding television access. By leveraging dormant resources, the reach of television services without significant infrastructure investments can be effectively extended.
- Developing curated content specifically tailored for underpenetrated markets will ensure that programming aligns with the diverse preferences and requirements of these communities.

**(Detailed answer to this question is provided in subsequent section in answer to Question 6.)**

**ii. Augmenting R&D capabilities and promoting indigenous manufacturing of broadcasting equipment.**

Airtel expresses its sincere appreciation for the Government of India's initiatives to introduce favourable policies to advance the Make in India mission and the ongoing efforts to promote indigenous manufacturing of broadcasting equipment.

Airtel reaffirms its unwavering commitment to supporting the Government's endeavours to achieve self-reliance and are fully aligned with the vision of Make in India. It stands ready to extend full support to further the objective of indigenising the production of broadcasting equipment.

However, concerning the Government's mission to establish a self-reliant local manufacturing ecosystem for Set-Top Boxes (STBs), it is imperative to acknowledge and pragmatically assess the following challenges:

- The disruptions caused by the Covid-19 pandemic have significantly impacted global supply chains, exposing vulnerabilities in organisations. Critical components such as chipsets and semiconductors have faced shortages, exacerbating the situation.

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- The current geopolitical climate has further strained global supply chains, leading to continued scarcity of resources.
- There is a challenge in the supply chain due to the limited number of suppliers for STB chipsets, as they are primarily sourced from mobile chipset suppliers, resulting in higher costs.
- India's manufacturing ecosystem is still in its nascent stage, necessitating measures to fortify and enhance its resilience to address the aforementioned challenges effectively.

In light of these considerations, it is crucial that the National Broadcasting Policy adopts a strategic and pragmatic approach to overcome the challenges and realize the goal of establishing a robust local manufacturing ecosystem for not only STBs but other broadcasting equipment in India.

**Furthermore, it is important to consider integrating the STB chipsets into the Make in India initiative. This strategic move would not only help mitigate India's dependence on foreign suppliers but also foster domestic production capabilities.**

Airtel remains committed to collaborating with the Government and industry stakeholders to address these challenges and contribute to the success of the Make in India initiative.

**Q4. What other policy and regulatory measures should be adopted in the policy for creation and expansion of quality Indian content to make India the 'Global Content Hub'? Further, suggest how to extend support to local talents and content developers in terms of training, infrastructure and incentives. Provide your comments with detailed explanation.**

**Airtel's Response:**

No Comments.

**Q5. Suggest the measures to promote the uplinking of television channels owned by foreign companies from India, which is now permitted by the Government to make India an 'Uplinking Hub'.**

**Airtel's Response:**

With the dual objectives of establishing India as a global teleport hub and enhancing the Ease of Doing Business in the country, the Government introduced the "**Guidelines for Uplinking and Downlinking of Satellite Television Channels in India, 2022**" on 09 November 2022. These guidelines included detailed provisions for registering channels uplinked from foreign territories and downlinked in India, thus opening the doors for foreign channels to be downlinked in India.

In our view, certain measures that can be considered to facilitate the vision of becoming an 'Uplinking hub', including:

1. **Investment Incentives:** Offering attractive investment incentives, such as tax breaks, subsidies, or other financial incentives, to foreign companies willing to uplink their television channels from India. These incentives can encourage greater investment and participation in the Indian media market.

2. **Promotion of Foreign Collaboration:** Encouraging collaboration between foreign media companies and local Indian partners. This can foster knowledge exchange, technology transfer and the creation of joint ventures, which can benefit both foreign investors and the Indian media industry.
3. **Capacity Building:** Investing in training and capacity building programmes to enhance the skills and capabilities of local talent in the media and broadcasting industry. This can help meet the technical and operational requirements of foreign media companies, while also fostering the growth of indigenous expertise.

By implementing these measures, India can create a conducive environment for the uplinking of television channels owned by foreign companies, thereby positioning itself as a prominent "Uplinking Hub" in the global media landscape.

**Q6. What broad guiding principles, measures and strategies should be considered in the NBP to strengthen India's public service broadcaster (i.e. Prasar Bharati) to promote quality content creation, dissemination of DD and AIR channels and maximizing its global outreach? Also suggest, what support and measures should be provided for the proliferation of television and radio broadcasting services provided by the public service broadcaster in fulfilment of its mandate?**

**Airtel's Response:**

As highlighted in the Preamble and acknowledged by TRAI in the subject consultation paper, the convergence of technologies is a present-day reality. However, this convergence has not been supplemented with a corresponding convergence in regulations, causing an imbalance in the broadcasting landscape wherein not all distribution platforms, including Prasar Bharti, are subjected to similar regulatory framework.

In this context, the National Broadcasting Policy (NBP) should ensure level playing field for all service providers and allow private DTH operators to operate on a business model akin to DD FreeDish to address market needs and make television services more accessible and affordable.

**1. Current regulatory imbalance between DD FreeDish and private DTH operators**

Originally established as a public broadcasting service dedicated to disseminating information of national importance, Prasar Bharti has now descended into commercial broadcasting. Today, DD Free Dish is providing services similar to other DTH Operators. Registered DPOs have consistently raised concerns about the anomalies in the licensing and regulatory treatment, which has created an anti-competitive environment and a non-level playing field for DTH operators. This differential regulatory approach can be elaborated as under:

1. DD Free Dish's revenue model relies on earning revenue from broadcasters rather than subscribers, thus it cannot be termed as operating under Public Broadcasting Services. DD Free Dish has attained a commercial nature as it generates revenue through the auction of TV channel slots to private commercial broadcasters.

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2. DD FreeDish carries several channels that are pay channels for subscribers of other DPOs, whereas such channels are free for DD FreeDish customers (approximately 22 channels).
3. There is no regulatory capping on carriage fee earned by DD FreeDish; it earns carriage fee as per the rate determined through the auction of its capacity. Other DPOs face stringent regulatory capping on the carriage fee they can charge broadcasters with (i.e., up to INR 4 lakhs per month per SD channel)
4. Even though DD FreeDish uses the same satellite distribution technology in the Ku-band frequency to provide its services as a DTH, it has not been treated at par with DTH operators.

This regulatory imbalance has led to a significant number of DTH subscribers migrating to DD FreeDish, causing a big dip in the number of active DTH subscribers and causing substantial financial losses for private DPOs.

DD FreeDish now serves approximately 45 million households, constituting roughly 26% of the entire combined cable TV and DTH subscriber base and 41% of the total DTH base (pay and DD free Dish). Despite its market dominance, TRAI has not enforced regulatory measures on DD Free Dish, creating an uneven playing field favouring the largest DPO in the country.

### Active Paid subscribers continued to reduce in 2023.

	2020	2021	2022	2023
Cable*	72	68	64	62
DTH*	56	55	54	53
HITS*	2	2	2	2
<b>Total Pay TV</b>	<b>130</b>	<b>125</b>	<b>120</b>	<b>118</b>
Free TV**	40	43	45	45
<b>Total</b>	<b>171</b>	<b>168</b>	<b>165</b>	<b>163</b>

*Television subscriptions in millions | Industry discussions, billing reports, TRAI data*

*\*Net inactive / temporarily suspended subscribers but including pirated and under declared subscribers.*

*\*\* Free TV is derived as a balancing figure after reducing paid and pirated TV homes from adjusted total TV universe less temporarily deactivated homes.*

**The coexistence of an unregulated DD Free Dish and over-regulated DTH operators within the same service has fostered an anti-competitive landscape, tilting in favour of DD Free Dish.** This imbalance has now positioned DD Free Dish as an appealing substitute to traditional pay TV packages, further driving the downward trend in pay TV subscriptions.

This situation is unique to broadcasting. In telecom, BSNL, the state-owned telecom operator, competes with private telecom operators in a highly regulated sector, adhering to the same rules and licensing requirements and market competition rules. In contrast, DD Free Dish, a free-to-air DTH public service broadcaster under Prasar Bharati, competes directly with private DTH operators but is not subject to any of TRAI's regulations including tariff and quality of service regulations. While both are Government-backed initiatives, they function in distinct regulatory environments, resulting in a unique situation where one entity contends on an equal footing, while the other enjoys a relatively unfettered status within its sector.



## **2. Our proposal to address this regulatory imbalance**

**The National Broadcasting Policy should address these issues and strive to create a level playing field for all stakeholders and there should be no bar on private DTH operators to offer services akin to DD FreeDish and make television services more accessible and affordable.**

By allowing private players to enter this space there will be improvements in content delivery, quality and cost of hardware, customer experience, and distribution across the country. On the other hand, the broadcasters will also benefit through increased viewership, and advertising revenue.

This proposal outlines a mutually beneficial scenario for customers, operators, broadcasters, and the industry. The benefits for all stakeholders are detailed below.

### **1. Benefits for Customers:**

- a. Enhance Consumer Choice and Experience:** Introducing a new service category widens consumer options, granting access to high-quality content through technologically advanced services provided by private operators, thus enriching the television viewing experience.
- b. Improve affordability:** Allowing private operators to offer pure FTA services on interoperable unencrypted boxes will ensure affordability and accessibility. Customers will have the flexibility to access their free channels using open market set top boxes with no subscription charges. Millions of inactive set top boxes present an untapped resource. Through incentive schemes, these dormant devices can be reactivated, expanding the reach of FTA services without imposing additional costs on users.
- c. Increase rural penetration:** The private sector's active involvement in the FTA space will increase penetration in rural and remote areas where Pay TV services might not be as prevalent. Its affordability and extensive channel offerings will make it appealing in these regions.

### **2. Benefits for the Sector:**

- a. Promote digital inclusion:** It will ensure that television services are accessible at affordable rates to a wider demographic, especially for those in economically disadvantaged and rural areas.
- b. Address market dynamics:** The broadcasting landscape is evolving rapidly, with an increasing demand for diverse and affordable television services. The private sector's active involvement in the FTA space will address these market dynamics, and provide a regulatory framework that fosters innovation and inclusivity.
- c. Contribute to economic growth:** The private sector's active involvement in the FTA space has the potential to stimulate economic growth. It can attract investments, create employment opportunities and contribute to the overall development of the broadcasting industry.



- d. Encourage competition and innovation:** Allowing private operators to adopt business models akin to Free Dish will foster healthy competition and quality improvements in content delivery. Competition is essential for driving advancements in technology, content creation and service quality.

### **3. Benefits for DTH Operators**

- a. Level the playing field:** Eliminating regulatory disparities and instituting a unified regulatory framework for OTT platforms, DTH services and DD FreeDish will help establish a level playing field. This will foster an environment conducive to investment and to the creation of innovative business models to meet changing market needs. Fair competition with state-owned entities like DD FreeDish will become possible, empowering private operators to enhance consumer service, drive market expansion and, ultimately, bolster their competitiveness and profitability in the dynamic media landscape.
- b. Increase cost-effective access and expand reach to underserved areas:** Eliminating encryption requirement will significantly reduce the cost of set top boxes, making television services more affordable for users. This cost-effectiveness has the potential to tap into "television dark" households, reaching consumers in every nook and corner of the country, facilitating rapid market penetration, particularly in areas where affordability has been a barrier to access.
- c. Leverage long-standing relationships with customers and broadcasters:** Private operators already have established relationships with both subscribers and broadcasters. Leveraging these connections enables a smoother transition into the FTA space, fostering collaboration and ensuring a seamless experience for all stakeholders.
- d. Facilitate technology advancement and better services:** Private operators, with their existing infrastructure and customer support networks, can deliver superior services. This translates to better service reliability and customer satisfaction, addressing all issues promptly.
- e. Boost regional, educational and other high-quality content:** Private operators have the expertise to curate and deliver diverse, high-quality content that caters to the specific needs and preferences of viewers. The involvement of private operators in the FTA segment can contribute to the creation and promotion of local content.

### **4. Benefits for the broadcasters:**

- a. Increased viewership and advertisement revenue:** Unencrypted FTA services, accessible to a larger audience, are likely to attract higher viewership numbers. This increased viewership enhances the value proposition for advertisers, leading to potential growth in advertisement revenue for broadcasters associated with the FTA channels.

- b. Market expansion opportunities:** It will create new opportunities for broadcasters to reach untapped markets. The flexibility offered by this service category will allow broadcasters to tailor content to diverse regional preferences, maximising the appeal to viewers in various geographical locations. Broadcasters stand to benefit from increased visibility and engagement with their content.

**To summarize, allowing private operators to innovate and provide services akin to DD FreeDish will not only benefit consumers but will also align with the overarching goals of the government to promote a vibrant and inclusive broadcasting sector and ensure that the industry evolves in harmony with technological advancements and changing consumer preferences.**

**Q7. What policy measures and regulatory aspects should be adopted in the NBP to nudge the growth of Indian regional content through OTT platforms?**

**Airtel's Response:**

No Comments.

**Q8. What new strategies and measures should be envisaged in the policy for the film industry to enhance audience engagement, infrastructure development, upskilling artists, reduce piracy, increase foreign direct investment or any other aspect? What steps are required to make India a preferred filming destination? Provide your comments with detailed justification.**

**Airtel's Response:**

No Comments.

**Q9. Online gaming being a rising sector holds potential for contributing to economy, what policy and regulatory aspects should be adopted for the orderly growth of online gaming in India? Further, suggest measures to support local game developers to compete and grow. Also suggest safeguards to protect general public (especially underage players) from negative and psychological side effects, while promoting healthy gaming.**

**Airtel's Response:**

The online gaming sector, valued at \$3 billion, holds significant potential to drive economic growth and job creation in India. However, it faces several challenges, including issues related to taxation, fraud and regulatory uncertainties that have hindered the industry's expansion and innovation potential.

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Furthermore, the introduction of new regulations and revised Tax Deduction at Source (TDS) policies have added complexity to operations, impacting customer retention rates and the Know Your Customer (KYC) process. As industry strives to navigate these challenges, there is a growing recognition of the need for a comprehensive regulatory framework that balances consumer protection, innovation and industry growth.

In this context, Airtel believes the following may be considered:

- a. Implementation of the Amended IT Rules:** The Amended IT Rules should be implemented at the earliest to regulate the online gaming industry effectively. These rules were crafted through extensive consultations with stakeholders to create a transparent, safe, and accountable gaming environment. In the event of any overarching concerns regarding the regulatory framework, prompt amendments should be considered to address them and eliminate any regulatory ambiguities.
- b. Classification of real money online games basis skill or chance elements:** Online games that involve real money are categorized with games of chance solely based on their monetary involvement, rather than considering whether they entail skill or chance. It is vital to underscore that the presence of money doesn't fundamentally change the game's nature or the elements of skill and chance within it. Therefore, the requirement for Self-Regulatory Body (SRB) verification should only apply when an online game involving real money lacks any element of skill.
- c. Clarification on GST from July 2017 to September 2023:** The Ministry of Finance should issue a clarification regarding the GST levied on an "as-is" basis from July 2017 to September 2023. If show cause notices and demands are enforced, the online gaming sector which is still at a nascent stage will collapse, causing significant consequences such as job losses, reduced foreign direct investments (FDIs), and lower tax revenues.

Given the sector's potential to create employment opportunities and foster technological innovation, there is a need for a broader consultation on gaming regulations. Such consultations would provide stakeholders with the opportunity to address concerns related to taxation, fraud management, KYC procedures and other regulatory aspects while fostering an environment conducive to the industry's sustainable growth.

**Q10. What further steps and initiatives should be adopted by the Central and State Governments and the industry for the growth of animation, VFX and post-production segment? Provide your comments with detailed reasoning and justification.**

**Airtel's Response:**

No Comments.

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**Q11. What strategies and measures should be included in the policy for the music segment to enhance infrastructure development, upskilling artists, financial certainty and to resolve other challenges being faced by artists? What steps should be taken to encourage the global promotion of Indian music and artists? Please provide your comments with detailed reasoning.**

**Airtel's Response:**

No Comments.

**Q12. What measures and strategies should be included in the National Broadcasting Policy to encourage expansion and ensure orderly growth and sustainability of FM Radio Stations and Community Radio Stations in the various cities of country including hilly and border areas? In what ways the policy can facilitate the integration of digital radio technologies into the existing FM radio infrastructure to improve audio quality, functionality and spectrum efficiency?**

**Airtel's Response:**

No Comments.

**Q13. With the continuous advancement of technologies and convergence of the telecom, information technology and broadcasting sectors, what policy and regulatory measures are required, beyond the existing ones, to facilitate the growth of the broadcasting sector with ease of compliance? Elaborate your comments with proper reasoning and justifications to the following issues:**

- i. To enable healthy and competitive environment amongst the existing and emerging services and ensuring parity among comparable distribution mediums, while being technology neutral.**
- ii. To allow and encourage infrastructure sharing among the players of broadcasting and that with the telecommunication sector.**
- iii. Any other suggestion for policy and regulatory framework.**

**Airtel's Response:**

- i. To enable a healthy and competitive environment amongst the existing and emerging services and ensure parity among comparable distribution mediums, while being technology neutral.**

As highlighted in the Preamble and acknowledged by TRAI in the subject consultation paper, the convergence of technologies is a present-day reality. However, this convergence has not been supplemented with a corresponding convergence in regulations, which has created an anti-competitive and a non-level playing field.

Therefore, the National Broadcasting Policy must ensure that broadcasting regulations remain relevant and responsive to the dynamic media environment, benefitting all stakeholders' viz. broadcasters, distribution platforms and consumers and ensuring that all stakeholders enjoy the synergistic benefits of convergence.

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Today, convergence has taken place over the entire value chain – from underlying technology to service delivery /carriage to end-user.

**a. Several different technologies deliver the same customer experience.**

Technological convergence has enabled seamless delivery of content to consumers across geographies and devices. High speed 4G and 5G networks of telecom operators are today delivering content at such high levels of speed that they are rivalling what only fixed broadband or cable networks or DTH used to offer until recently.

**b. Content consumption is similar across all devices.**

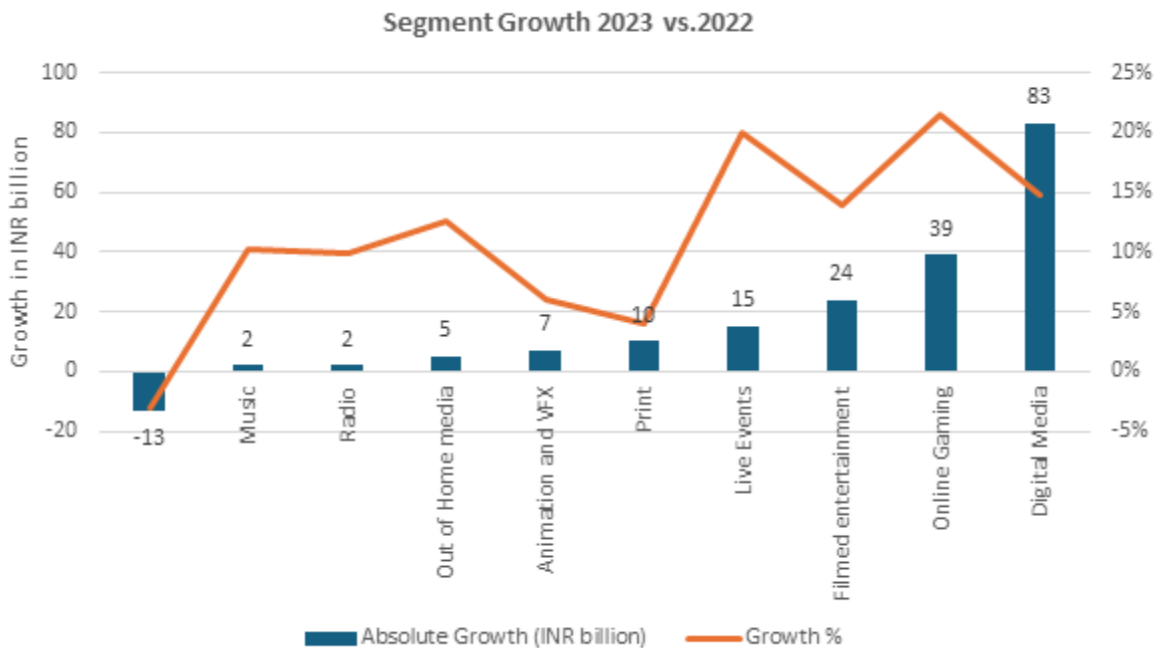
The availability of high-speed broadband services coupled with the launch of various digital platforms has nullified the previous dependency on specific devices for watching specific content. Today, linear programming, live broadcasting and global and local content are being consumed across various screens (e.g., smartphone, PC, Smart TVs). This convergence driven by platforms / applications delivering broadcast content via broadband and other digital platforms has dynamically altered consumer behavior and content consumption patterns.

**The TRAI, through the subject consultation paper, has acknowledged that the broadcasting sector in India is witnessing technological advancements, primarily the convergence of content and devices, which require the attention of policy makers and regulator.**

**It has acknowledged that the key objectives of a good regulatory framework should be to ensure a level-playing field, transparency, non-discrimination, non-exclusivity for all stakeholders in the value chain and to provide adequate and real choices to subscribers.**

Taking a proactive stance, TRAI has emphasised the need for a converged regulatory approach to promote the harmonised growth of different broadcasting platforms. The consultation paper accordingly highlights the significant drop in linear TV viewership in India and underscores the disparity in regulatory oversight.

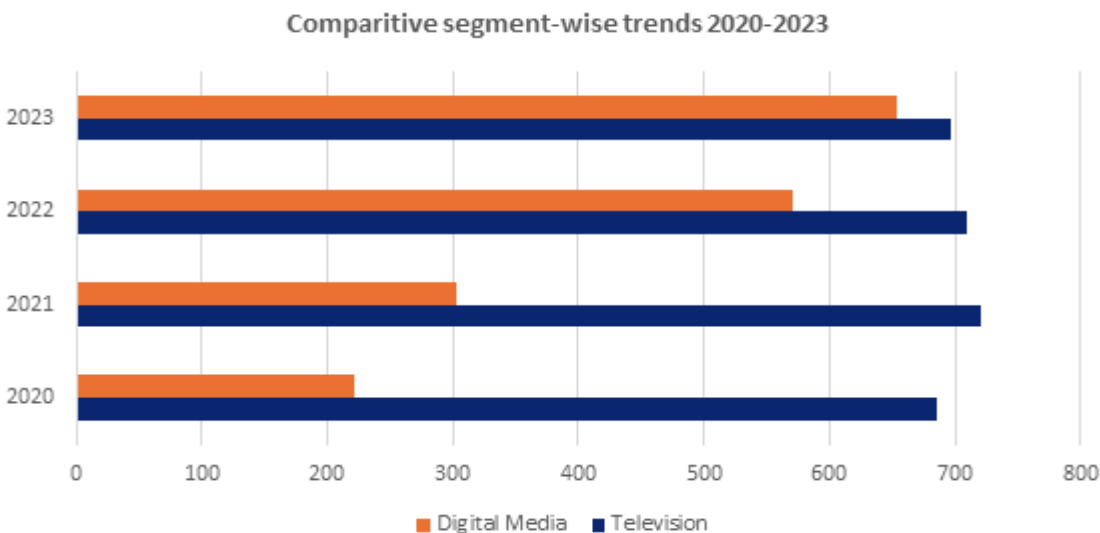
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Source: EY- Ficci Report March 2024 titled “Reinvent: India’s Media and Entertainment Sector”

The infographic mentioned highlights two points clearly:

1. Except for Television, all M&E segments grew in 2023.
2. Digital Media exhibited the highest growth, accounting for INR 83 billion of the overall growth.



EY- Ficci Report, April 2023 and EY- Ficci Report March 2024. These figures depict the gross of taxes (INR in billion) from Television and Digital Media for the years 2020-2023.

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The infographic vividly illustrates the rapid growth of digital media compared to television. In 2020, digital media grossed INR 326 billion of taxes, with a consistent upward trajectory in the following years: INR 439 billion in 2021, INR 571 billion in 2022 and INR 654 billion in 2023. Conversely, television revenue was INR 685 billion in 2020, rose marginally to INR 720 billion in 2021, dipped to INR 709 billion in 2022 and concluded disappointingly at INR 696 billion in 2023.

These statistics come as no surprise, given the regulatory leeway afforded to digital media, enabling it to innovate and expand in ways that the heavily regulated linear television industry can only dream of achieving.

**The specific aspects of convergence on the one hand, and the differential regulatory approach of carriage on the other, can be further understood through the following table:**

Mode of Content delivery / access (e.g Content is a Live Channel / Sports)	Content rides on (underlying bearer)	Is Mode regulated (Y/N) – Need License or Registration	Pays License Fee (Y/N)	Tariffs Regulated (Y/N)	Licensed under & regulated by (for access & carriage)
DTH	Satellite & Dish	Yes (License)	Yes (8%)	Yes	MIB & TRAI
MSOs / Cable TV	Satellite / Dish & Cable / Fiber	Yes MSO (License); Cable (Registration)	No	Yes	MIB & TRAI
IPTV	Fiber	Yes (License)	Yes** (8% / 0%)	Yes	DoT/MIB & TRAI
HITS	Satellite / Dish & Cable / Fiber	Yes (License)	No	Yes	MIB & TRAI
DD Free Dish	Satellite & Dish	No	No	No	Under Prasar Bharti Act (no TRAI regulation apply on it)
Broadcast content being delivered over broadband through an application	Highspeed broadband (Wireless / Wireline)	No	No	No	No

\*\* As per media reports Government is likely to exempt the revenue from IPTV from LF under UASL/ISP license

This convergence of technologies, without a corresponding convergence in regulation, has led to a distinct set of challenges, outlined as follows:

**a. Violation of “Must Provide” Principle:**

TRAI introduced the principle of ‘must provide’ to ensure broadcasters provide content to all distribution platforms on a non-discriminatory basis. However, it becomes inapplicable in cases where the same broadcast content (as shown on registered distribution platforms) is being carried over broadband as a medium.

**b. Violation of MIB Downlinking Policy:**

As per MIB's Downlinking Policy, the broadcaster is under an obligation to provide services only through registered DPOs (such as DTH providers, etc.). By providing broadcast content to unregistered digital distribution platforms like OTTs, the broadcasters are violating the Downlinking Policy which needs to be addressed by MIB and TRAI.

**c. Violation of MIB Cross Holding Restriction:**

MIB does not permit a DTH licensee to allow broadcasting and/or cable network companies to collectively hold/own more than 20% of the total paid up equity in its company at any time during the licence period – or vice versa. However, no such restriction exists for other platforms. Some stakeholders have unfettered ownership and control of all parts of the broadband and broadcasting value chain including content and carriage, which creates monopolies.

**d. There is a single ministry for content regulation but two ministries for access licensing:**

Currently, content regulation falls under the MIB and should continue to do so to provide guidance and censorship on all mediums as necessary. However, the access technologies are distributed under two ministries viz. MIB (DTH/Cable) and DoT (wireless and wireline broadband). The recent step of the Government to bring the online platforms under MIB has made it clear that the content/censorship will be under one ministry irrespective of the platform and Airtel fully supports that. It is, however, unusual that the access part will still continue to be governed by the MIB for one medium and DoT for another. This distribution of similar functions across multiple Ministries/Government Departments can lead to inconsistencies in policy approach, increased regulatory compliance costs to businesses, all of which end up burdening the consumer eventually.

**e. Licensing regime for DTH and telecom services is not unified:**

Both telecom and DTH licences are granted under Section 4 of the Telegraph Act and for all satellite spectrum-related aspects. DTH operators deal only with the DoT. However, the DTH licence is governed by the MIB. The DoT has recently carried out certain amendments in the Unified Licence to exclude non-telecom revenue (including revenue from DTH) from the definition of AGR. However, no parallel change has been brought about in the DTH licence regime by the MIB. As a result, a single legal entity cannot operate in both telecom and DTH as it would end up paying a double licence fee on its telecom revenue (both to DoT and MIB) due to a divergent licence fee regime. While TRAI in its recommendations on '*Licence Fee and Policy Matters of DTH Services*' has recommended reductions in licence fee on DTH operators from 8% to 3% immediately and then to zero by FY2026- 27, the same has not attained finality. Due to this fact, players who want to offer the benefits of convergence (Telecom & DTH) to customers by leveraging synergies of existing networks and technology are unable to seamlessly offer bundled services and benefits to their customers. **In this regard, we suggest that the Government create a sharper focus and an orderly separation between content and carriage.**

**As the broadcasting ecosystem continues to evolve rapidly, it becomes imperative for the NBP to take the lead and acknowledge convergence in the broadcast regulations. It will provide regulatory clarity**



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by defining the responsibilities of various stakeholders and ensuring that they operate within a consistent and equitable regulatory framework.

**To summarize:**

- ✓ **Bringing applications delivering broadcast content through broadband under the ambit of DoT and TRAI licensing and regulations for the purpose of 'Must Carry – Must Provide' and at the same price.**
- ✓ **Assigning the DoT to be a single department for all licensing requirements across access cum carriage platforms – Mobile, Broadband, Cable and DTH**
- ✓ **Retaining the MIB as an umbrella body for all content regulation, management and appropriate censorship across all mediums with these platforms being covered under orderly rules to carry the same content.**

**ii. To allow and encourage infrastructure sharing among the players of broadcasting and that with the telecommunication sector.**

On September 28, 2023, the Ministry of Information & Broadcasting introduced crucial amendments to the Cable Television Network Rules, 1994. Among these amendments was a provision facilitating the sharing of infrastructure between cable operators and broadband service providers. This initiative aimed to realise the twin benefits of enhanced internet penetration and efficient utilisation of resources. Additionally, it was anticipated that it would help alleviate the necessity for additional infrastructure for supporting broadband services.

**In alignment with this approach, Airtel advocates for a holistic method to infrastructure sharing that extends beyond cable and broadband services. The potential for cross-industry infrastructure sharing, such as between IPTV and DTH platforms, presents an opportunity to maximise resource utilisation and drive efficiencies across sectors.**

Drawing parallels with the telecom industry, where infrastructure sharing has been instrumental in realising economies of scale, the importance of liberal and mutual policies for infrastructure sharing cannot be emphasised enough. Such policies not only foster innovation but also contribute significantly to the sustainability efforts of companies and the nation at large.

The benefits of infrastructure sharing extend beyond cost savings, encompassing efficient utilisation of available infrastructure, reduced capital and operational expenditures (CAPEX and OPEX) and decreased reliance on foreign imports of electronic systems and satellite transponders. Additionally, infrastructure sharing enhances distribution network capacities.

**iii. Any other suggestion for policy and regulatory framework.**

In its consultation paper, TRAI rightfully highlights those numerous countries, including the USA, UK, Australia, Canada, Korea, Malaysia, among others, that have adopted a unified regulatory approach covering both telecom and media. TRAI asserts its suitability for this role, having regulated both the

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telecommunications and broadcasting sectors, possessing comprehensive knowledge of current policies, practices, licensing frameworks and other pertinent information.

Airtel fully endorses TRAI's stance and advocates for its transition into a converged regulator to address the significant changes in the broadcasting sector.

The necessity for a converged regulator was acknowledged as early as 2001, and this need is even more pressing today. Without a converged regulator, attempts to regulate the broadcasting sector in the future may lead to bottlenecks, imperfect competition, disputes and opportunities for arbitrage.

NDCP 2018 also recognised the importance of convergence in the telecom and broadcast services by enabling infrastructure convergence of IT, telecom and broadcasting, establishing a unified policy framework for broadcast and broadband technologies and restructuring the legal, licencing and regulatory frameworks in order that they were able to reap the benefits of convergence.

**The regulatory regime must be such that the consumers and service providers benefit from the technological advances. The regime should not create any hindrance in the deployment of any technology for offering any type of services. At the same time, due to technological developments, no service providers should be able to disturb the level playing field by taking advantage of regulatory gaps. To achieve these objectives, it is necessary that regulatory framework should be service and technology neutral.**

**There is an urgent need to have a single regulator to deal with the various issues arising out of the convergence of technologies and services.** If regulations do not keep pace with strides in technology, the growth of telecom and broadcasting industries will suffer. A converged regulatory regime under TRAI will eliminate the possibility of litigation on account of service providers offering services which are not covered in their licencing regime.

**Q14. What additional measures should be adopted to combat piracy and ensure content security through copyright protection in the broadcasting sector? How can the technology driven solutions be developed and deployed to prevent unauthorised distribution and detection of the source of original content. Provide your comments with detailed explanations.**

**Airtel's Response:**

No Comments.

**Q15. What policy and regulatory provisions would be required in the policy to enable and facilitate growth of digital terrestrial broadcasting in India. Stakeholders are requested to provide strategies for spectrum utilization, standards for terrestrial broadcasting, support required from the Government, timelines for implementation, changes to be brought in the current ecosystem and the international best practices. Please provide your comments with etailed justification and proper reasoning.**

**Airtel's Response:**

## **Spectrum Utilisation**

The spectrum 526-582 MHz is currently held by Prasar Bharti and has been used for setting up Digital Terrestrial Television (DTT). The 526-582 MHz band has considerable potential for providing mobile coverage, particularly in rural and remote areas and within buildings. Recognising its importance for broader coverage, TRAI in its recommendations on '**Auction of Spectrum in frequency bands identified for IMT/5G**' dated 11 April 2022 recommended that:

*“As per the propagation characteristics, lower frequency bands provide wider and deeper coverage, which could be very useful in enhancing terrestrial mobile coverage, particularly for in-building coverage and rural coverage. ITU has already identified this frequency range for IMT services. Therefore, frequency range 526-612 MHz should be reserved for IMT services.”*

*“DoT should come out with a plan for re-farming 526-582 MHz band to be utilized for IMT deployments. To make 526-582 MHz band available for IMT, DoT should work with MIB to prepare a plan for an early migration from Analogue to Digital Transmission, so that the frequency band from 526-582 MHz can be vacated for IMT services. Considering that ITU has identified spectrum in 470-698 MHz as an IMT band in Region 2 & Region 3, DoT may adopt a holistic approach and review the entire frequency range starting from 470 MHz to 582 MHz.”*

The current ecosystem for utilising this band in IMT services is still not developed. However, TRAI's recommendations regarding the '**Auction of spectrum in frequency bands identified for IMT/5G**' propose that the Department of Telecommunications (DoT) collaborate with APT, ITU and 3GPP to develop a regional band plan for the 526-612 MHz band. Additionally, this plan also considers the ongoing development of the regional band plan (APT 600 band) being developed for 612-703 MHz and establish a timeline for vacating this band and adopting it for IMT services.

Furthermore, the spectrum in sub-GHz is crucial for providing a deep coverage layer in rural, remote and urban areas. It also presents an opportunity for the indigenous development of rural broadband technology, positioning India to lead market development by harmonising it with ITU and 3GPP as part of the 5G evolution or 6G technology. For India's aspirations to be able to play a significant role in the Global Value Chain for mobile device supply, competitiveness will necessarily need to be maintained through standardised global market catering and economies of scale. Notably, ITU has already earmarked the 526-612 MHz frequency range for IMT in Regions 2 and 3 in WRC-19.

### **Recommendation:**

- ✓ **In line with TRAI's earlier recommendations, the UHF spectrum band 526-582 MHz should be re-farmed completely for IMT usage, thus enabling IMT identification.**
- ✓ **Additionally, a regional band plan should be devised for the 526-612 MHz band to foster the development of this band's devices and infrastructure ecosystem.**

**Q16. How the strategies with respect to audience measurement and rating system in National Broadcasting Policy can ensure, address and encourage:**

- i. Establishment of a transparent, credible, and technologically equipped television audience measurement system that accurately reflects viewer preferences and behavior**
- ii. Expansion of the sample size to adequately represent the diverse landscape of television viewership, considering the anticipated growth in TV households**
- iii. Integration of data from non-linear sources from digital media to cover cross-platform content consumption habits**
- iv. Establishing a policy framework for conducting radio audience measurement in India**
- v. Encouraging multiple agencies to ensure healthy competition and enhancing service quality of measurement and methodologies**
- vi. Adoption and utilization of modern technologies**

**Airtel's Response:**

There is a paradigm shift in how media is currently being consumed in India. Consequently, there is also a global shift towards **hybrid audience measurement** spanning multiple channels (TV and Digital), and there is rapid technology innovation hastening this shift.

**Government must incentivise innovation and allow hybrid audience measurement spanning across platforms so that India emerges as the hub for global innovation in media audience measurement.**

**Any registered distribution platform by virtue of its relationship with customers should be allowed to gather insights and share them with interested stakeholders, without restriction. The regulator / MIB should consider prescribing a guidance-based approach to be followed by such DPOs towards audience measurement.**

The National Broadcasting Policy should thus include steps to encourage competition within the audience measurement space by removing all invisible barriers. Competition and multiple agencies for data collection and processing will help bring in new technologies, new research methodologies, new methods in analysis, new and better ways to ensure better data quality. The following may also be kept in mind while formulating the audience measurement framework:

- a. The regulatory framework prescribed must not privilege any one business model over another while ensuring that the guidelines do not create barriers to the emergence of more efficient business models.
- b. The approach to measurement and audience measurement must also be an enabler for business innovation and competitiveness in how the TV advertising market is serviced, rather than act as an instrument for preserving status quo which privileges incumbents and disadvantages upstarts.
- c. It should recommend specific measures necessary for making the audience measurement system robust, transparent and accountable to all stakeholders and only prescribe light touch regulation

with simple registration in the audience measurement system and tools by which prices are determined in this market.

- d. Model governance standards / voluntary codes of practices for rating agencies should be developed to ensure fairness, neutrality and transparency.
- e. Guidelines for data publication should be set forth to ensure transparent access for all stakeholders along the value chain and to implement an auditing mechanism to verify compliance.
- f. A consent-driven framework for selecting sample sizes, ensuring full disclosure of purpose, storage duration and cross-border data transfers should be developed to align with provisions outlined in the Digital Personal Data Protection Act.

**Q17. What other strategies should be adopted in the policy document for ensuring a robust grievance redressal mechanism to address and resolve complaints with respect to content as well as services effectively? Provide your comments with proper explanation.**

**Airtel's Response:**

**Grievance Redressal mechanism in DTH**

Airtel commends TRAI for its Regulation '*Telecommunication (Broadcasting and Cable) Services Standards of Quality of Service and Consumer Protection (Addressable Systems) Regulations, 2017*', dated 03 March 2017, which outlines a comprehensive grievance redressal mechanism for subscribers of Distribution Platform Operators (DPOs). This regulation not only specifies a detailed process for addressing subscriber complaints but also mandates defined timeframes for their resolution, ensuring timely and efficient redressal.

A two-tier mechanism has been established under the regulation, consisting of:

1. Customer Care Centres for addressing service requests and redressal of complaints; and
2. A designated Nodal Officer within the distributor's framework to address grievances stemming from consumer dissatisfaction with the resolutions provided by the customer care centre.

This mechanism provides subscribers with accessible channels for addressing their grievances at both initial and escalated levels.

Furthermore, TRAI also has the authority to intervene and investigate certain complaints, such as:

- (i) complaints alleging violations of the Act or regulations made or directions issued or orders made by the Authority under the Act;
- (ii) complaints that are generic in nature;
- (iii) complaints alleging that the practices adopted by the distributor of television channels adversely affect the interests of consumers;
- (iv) complaints of such nature that, in the opinion of the Authority, are required to be resolved expeditiously.

**While the present grievance redressal mechanism is comprehensive enough, in light of the evolving landscape of telecommunications and broadcasting services, it is imperative to periodically review and**

enhance regulatory frameworks to address emerging challenges and meet evolving consumer expectations. Such periodic reviews are also vital for upholding the interests of consumers and fostering a conducive environment for the industry's growth and development.

**Q18. What role the broadcasting sector should play to fulfil social and environmental responsibilities? Provide in detail the key focus areas and the strategies the sector should consider. Also provide strategies on the following specific issues:**

- i. To empower Person with Disabilities (PwDs) to access the information and entertainment programmes**
- ii. To encourage gender equality w.r.t. the participation and safety of the women workforce**
- iii. To raise awareness about the issues of marginalized tribal communities, minorities and LGBTs**
- iv. To adopt green broadcasting practices**

**Airtel's Response:**

Airtel supports the notion that the broadcasting sector should actively engage in fulfilling its social and environmental responsibilities. As a powerful influencer of public opinion and cultural norms, the sector holds immense potential to effect positive change.

To fulfill its social responsibilities, the broadcasting sector should prioritise inclusivity, diversity and representation, ensuring that all members of society, including marginalised groups, have a voice and platform. Moreover, by raising awareness about social issues and promoting dialogue, broadcasters can contribute to fostering empathy and understanding among viewers.

On the environmental front, the sector can play a significant role in promoting sustainability by adopting eco-friendly practices throughout production, distribution and operations. This includes reducing energy consumption, minimising e-waste and advocating for environmental conservation through programming and initiatives. It must be noted that there are already regulations issued by the Ministry of Environment, Forest and Climate Change (MoEFCC) around e-waste that covers electronics equipment under it.

By embracing these responsibilities, the broadcasting sector can not only contribute to a more inclusive, equitable and sustainable world but also inspire positive societal change.

**Q19. Keeping in mind the immense role of broadcasting during disasters, how can the latest technologies be effectively utilized to provide disaster alerts and timely updates on television/mobile/radio during disasters? Elaborate with proper justifications.**

**Airtel's Response:**

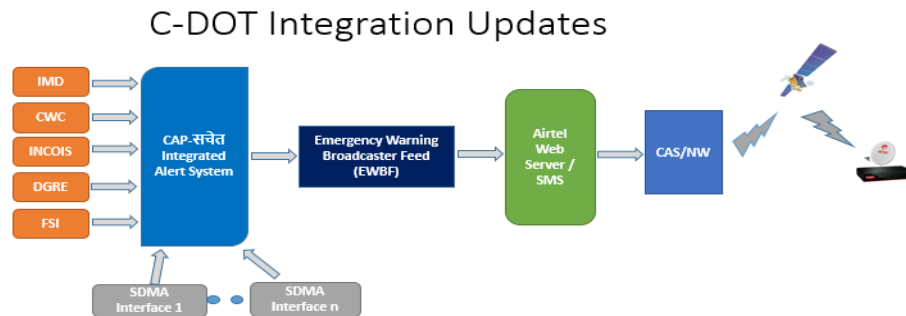
The current deployed systems are equipped to support the Digital Disaster Warning System (DDWS) in disaster-prone areas. Through CAS and SMS tools, there is the capability to broadcast messages to subscribers in these areas via Bmail and a static on-screen display.

Our systems have also undergone testing with C-DOT and are fully operational and ready for broadcasting disaster warning-related messages.

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The flow of information within our system is as follows:



1. The National Disaster Management Authority (NDMA), State Disaster Management Authorities (SDMAs) and other climate-related entities transmit information to the Common Alert Protocol (CAP) integrated Alert system of C-DOT.
2. This system is directly connected to the warning feed of Direct-To-Home (DTH) service providers, enabling the seamless sharing of information.
3. Subsequently, individual DTH operators relay this information to the relevant CAS for broadcasting in flood-prone areas.

By leveraging this integrated approach and utilising the tested and functional systems, the efficiency and effectiveness of the Digital Disaster Warning System in safeguarding communities against disasters can be further enhanced.

**Q20. Stakeholders may provide their comments with full details (measures/ strategies) and justification on any other subject matter which may be considered to be incorporated as the inputs for the National Broadcasting Policy.**

### Airtel's Response:

#### **Ease of Doing Business**

On 02 May 2023, TRAI issued its Recommendations on '**Ease of Doing Business in Telecom and Broadcasting Sector**'. Although the recommendations primarily aim to streamline processes by transitioning them online and expediting them through time-bound clearances, there is a perceived need for a more progressive and pragmatic approach.

We suggest that the Ease of Doing Business measures should extend beyond procedural enhancements to encompass reforms in regulatory conditions, policies, practices and procedures within the broadcasting sector. This broader approach should be to foster a more conducive business environment in India and can be achieved through the following measures.

## 1. Introducing Regulatory Forbearance in the Broadcasting sector

To fuel the next phase of growth in the broadcasting sector, we recommend that the NBP should focus on regulatory forbearance and simplification of regulatory framework in adherence to the principle of **‘Minimum Government’ ‘Maximum Governance’**.

Forbearance is a key foundational principle in regulation. **‘Regulatory forbearance’** is not the absence of any regulation, but an evidence-driven approach. It refers to the regulator’s decision to forgo direct intervention if the operation of market forces can achieve desired outcomes and there is no evidence of market failure.

**The current regulatory framework is micro-regulated, leaving no flexibility at all with the broadcast sector, which stands in contradiction to global best practices.**

Under the New Tariff Order (NTO) regime, the DTH industry is excessively over-regulated at every level and this approach has proved detrimental for the sustainability and growth of the industry. While the regime was purported to enhance consumer welfare, in our view it has rather upended the same, and not resulted in any benefit to the consumer.

Most countries have chosen to adopt a light-touch regulatory approach to tariff regulations of channels and related market practices such as bundling.

Country	Pricing Restriction	Packaging Restriction
<b>Australia</b>	None other than general competition law	No restrictions
<b>China</b>	Basic cable prices are fixed. No regulation on pricing of pay TV	No specific regulation. Consumers must have the option to subscribe to the basic pack.
<b>Cambodia</b>	None	None
<b>Hong Kong</b>	None	None
<b>New Zealand</b>	None	None
<b>Myanmar</b>	None	None
<b>Malaysia</b>	Disclosure of rates before the authority and the authority may intervene, but no restriction currently.	None
<b>Japan</b>	Basic pack channel rates have to be disclosed. No regulation on Pay TV	None
<b>Philippines</b>	None	None
<b>Singapore</b>	No rate control, but retail rates are disclosed before the authority	Cross-carriage system has a limited restriction on bundling
<b>South Korea</b>	Price caps were removed but prices are subject to the authority’s approval	None
<b>Thailand</b>	None	None
<b>Vietnam</b>	None	Required to have basic and tiered channel packages



In this context, we recommend that the National Broadcasting Policy should bring about complete forbearance in regulatory pricing framework. It will enable orderly growth, reduce prices, improve quality of service, and will ultimately benefit the consumer, and will also restore the fundamentals of the industry and enable long term viability, sustainability, and competitiveness.

## **2. License Fee**

Today, in the broadcasting sector's entire value chain, DTH operators are the only ones subjected to license fees. This creates a non-level playing field and is discriminatory and against the basic premise of government's endeavor to have a balanced regulatory framework. No License Fee is being paid by other competitors of DTH Operators, such as Cable and HITS operators, despite providing the same set of service to the same market.

In the case of telecom, the annual License Fee rate of 8% is inclusive of USO levy of 5%. Thus, the actual License Fee rate for telecom is 3% and not 8%. The funds of USO levy come back to the Telecom Service Providers through subsidy granted for participation in eligible projects. However, since DTH does not form part of USO, this levy is disproportionate even if compared with telecom services. **TRAI has duly acknowledged the need for or establishing a level playing field in its Recommendations on "License Fee and Policy Matters of DTH Services"<sup>1</sup>, and recommended, inter-alia, the following:**

- a. Reduce DTH license fee from 8% to 3% immediately and then to zero by FY 2026-27.**
- b. GR, ApGR and AGR for DTH licensees have been defined on the same lines as prescribed by Cabinet for telecom sector.**
- c. Reduce Bank Guarantee exposure for DTH Industry.**

**However, but these Recommendations have not been incorporated into the recent Draft DTH License.**

Both telecom and DTH licences are granted under Section 4 of the Telegraph Act and for all satellite spectrum-related aspects. DTH operators deal only with the DoT. However, the DTH licence is governed by the MIB. **The DoT has recently carried out certain amendments in the Unified License in order to exclude non-telecom revenue (including revenue from DTH) from the definition of AGR. However, no parallel change has been brought about in the DTH license regime by the MIB** although the DTH license is issued under section 4 of Telegraph Act and the LF is paid there also on the AGR basis.

**Therefore, there is an urgent need to review the definition of revenue for DTH services, rationalization of levies and the bank guarantees, to reduce the financial burden on the sector and help in the proliferation of DTH services and help the industry both in the short and the long run.**

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<sup>1</sup> [https://www.trai.gov.in/sites/default/files/Recommendation\\_21082023\\_0.pdf](https://www.trai.gov.in/sites/default/files/Recommendation_21082023_0.pdf)

### **3. Encouraging Foreign Direct Investment in the Broadcasting Sector**

The Government should consider emulating best practices from other regulated sectors, particularly the telecom sector. Examples include:

- Replacing the requirement of prior clearance for Directors and key officials with a simple intimation to authorities.
- Replacing FDI approvals with a self-declaration of compliance with FDI norms.
- Implementing an Open Sky Policy for the DTH business, granting DTH operators the freedom to engage directly with multiple foreign satellite operators and negotiate satellite bandwidth rates instead of through Antrix.

These suggestions aim to enhance efficiency, reduce bureaucratic hurdles and encourage greater participation and investment in the broadcasting sector.

### **4. Ensuring that Content-related obligations are not placed on Distributors.**

In the landscape of digital media regulation, the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021 ('**IT Rules, 2021**') serve as a pivotal framework, delineating obligations and procedures for various stakeholders. Part – III of these rules, overseen by the Ministry of Information & Broadcasting (MIB), particularly addresses the Code of Ethics and safeguards concerning digital media.

Under Rule 8 of the IT Rules 2021, publishers of news and current affairs content along with publishers of online curated content are subject to the rules outlined in Part – III.

Rule 9 also requires compliance with a Code of Ethics and sets up a three-tier grievance redressal system to handle issues regarding digital media content. This structure comprises:

- Level I: Self-regulation by the publishers.
- Level II: Self-regulation by the self-regulating bodies of the publishers.
- Level III: Oversight mechanism by the Central Government.

However, the imposition of content-related obligations on distribution platforms raises pertinent questions regarding roles and responsibilities. For instance, content curation platforms primarily act as redistributors of content, facilitating the transmission of online curated audio-visual content to mobile users.

The argument against burdening distribution platforms with content-related obligations stems from several key points:

- **Distribution platforms lack involvement in content determination:**  
Unlike content creators or publishers, distribution platforms do not participate in classifying, rating or regulating content. Their role is limited to redistributing content through contractual agreements with OTT platforms.

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- **Duplication in regulation:**  
Requiring distribution platforms to establish or join self-regulatory bodies (SRBs) would duplicate regulatory efforts, as OTT platforms are already mandated to be members of such bodies.
  
- **Potential for conflicting decisions:**  
Multiple SRBs overseeing the same content may result in divergent opinions and decisions, leading to confusion and inefficiency in addressing content-related grievances.

**Therefore, while the IT Rules 2021 aims to uphold ethical standards and ensure accountability in digital media, it is essential that clear roles and responsibilities for all stakeholders are also delineated. Clarifying the obligations of distribution platforms in relation to content regulation will foster a regulatory environment that is efficient, effective and conducive to the growth of the digital media ecosystem.**