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**August 24, 2022**

**Shri. Anil Kumar Bhardwaj**

Advisor (B&CS)-II,  
Telecom Regulatory Authority of India (TRAI),  
Mahanagar Doorsanchar Bhawan,  
J.L. Nehru Marg, (Old Minto Road)  
**New Delhi - 110002**

Dear Sir,

**Re: NBDA's Comments on the Consultation Paper dated 20<sup>th</sup> July 2022 on "Renewal of Multi-System Operators (MSOs) Registration."**

The News Broadcasters & Digital Association (NBDA) (formerly known as News Broadcasters Association (NBA) is an association of 24x7 television and digital media who telecast and publish news and current affairs programmes. NBDA represents several important and leading national and regional private news and current affairs broadcasters who run news channels and digital platforms in Hindi, English, and Regional languages along with other digital media entities.

At the request of the Ministry of Information & Broadcasting ("MIB"), the Telecom Regulatory Authority of India ("TRAI") has initiated the consultation process seeking the views of the stakeholders on issues relating to the "**Renewal of Multi-System Operators (MSOs) Registration**" raised in the Consultation Paper dated 20.07.2022 (hereinafter referred to as the Consultation Paper).

The Consultation Paper seeks the views of the stakeholders *inter alia* on the period of extension/renewal of registration, imposition of one-time fee, time period for renewal, continuity of service while the renewal application is pending, and on the list of compliances/documents that should be mandatory for seeking renewal of registration.

At the outset, NBDA appreciates that TRAI has sought the comments/suggestions of the stakeholders on the issues raised in the Consultation Paper. NBDA submits that with the evolution of the cable television broadcasting sector, it is of utmost importance that the functioning of every stakeholder in the value chain is structured. To avoid any inconvenience to the consumers, NBDA suggests that the procedure for renewal of registration should be streamlined and structured. Therefore,

in response to the Questions raised in the Consultation Paper, NBDA submits as under:

**Q3.1 What should be the period of extension/renewal to be prescribed in the Cable Television Networks (Regulation) Act, 1995 /Cable Television Networks Rules, 1994, on the expiry of the initial period of permission of MSO registration? Please elaborate your response with justification.**

**NBDA Comment:**

NBDA submits that from the perspective of "Ease of Doing Business" and to ensure a hassle-free extension/renewal, registration of MSOs can be extended or renewed for a period of 5 years from the expiry of the initial period of permission. However, NBDA suggests that renewal/extension of registration should be subject to the MSOs submitting an annual compliance report concerning compliance with the provision of the Cable Television Networks (Regulation) Act, 1995 ("CTN Act") and Cable Television Networks Rules, 1994 ("CTN Rules"). Further, MSOs should report to TRAI about the status of their compliance with the extant regulatory framework, identified as key regulatory provisions under Annexure III of the Consultation Paper. If MSOs fails to submit the annual compliance report within the time frame prescribed by MIB at the time of granting renewal, then registration of such MSO shall be subject to cancellation. Additionally, at the time of seeking an extension/renewal of their registration, MSOs should also include information pertaining to acquisition or joint venture with other MSOs in the compliance report.

**Q3.2 Whether a one-time fee should be levied at the time of renewal of the MSO registration? If yes, please suggest amount of fee for such renewal to be prescribed in the Cable Television Networks (Regulation) Act, 1995 /Cable Television Networks Rules, 1994. Please provide detailed reasoning for your comment.**

**NBDA Comment:**

NBDA submits that a one-time renewal fee should be levied on the MSOs at the time of extension/renewal of their registration. However, the quantum of fees for such extension/renewal should be decided by TRAI or the MIB and should be at par with industry practices.

**Q 3.3 Should a time window be prescribed before the expiry of MSO registration, within which the MSO shall apply for renewal of the MSO registration?**

**Q3.4 In case an MSO has applied for renewal, and the final decision on renewal is pending, what should be the provision to ensure continuity of service for the consumers on expiry of previous registration?**

**NBDA Comment:**

To ensure a smooth extension/renewal of the MSOs registration procedure and to provide MSOs ample time to respond to any query or compliance requirement that may be raised at the time of seeking extension/renewal, NBDA suggests that the extension/renewal procedure should start at least 6 (six) months prior to the date of expiry of the existing registration and should conclude 30 (thirty) days before the date of such expiry of registration.

NBDA submits that renewal or extension of registration before the expiry of the initial registration will ensure that the general public does not suffer on account of such non-renewal of the MSOs registration.

In view of the above, if the MSOs fail to obtain renewal or extension of their registration within the timeline stipulated above, in that event, the MSOs should take necessary steps to inform its subscribers regarding the non-renewal of its registration, expiry date of registration and the possibility of discontinuation of services by running a scroll to that effect.

**Q 3.5 In case an MSO hasn't applied for renewal before the expiry of its registration:**

**3.5.1 What should be the status of services by such MSO after the expiry of registration? As per extant guidelines/ regulations an MSO with valid registration only can get the signals of a television channel. Should a broadcaster disconnect the television channels for such MSOs whose registration has expired?**

**3.5.2 Should existing registered operational MSOs be provided with an extended time beyond the original registration period for applying for renewal? What should be the maximum time after expiry up to which an application for renewal can be entertained by MIB?**

**3.5.3 Should there be an additional fee for such applications that are received after the expiry of registration period?**

**NBDA Comment:**

In view of the response given to Questions 3.3 and 3.4, it is reiterated that MSOs should renew or obtain an extension of their registration before the date of expiry of the initial registration. Kindly refer to the response given to Questions 3.3 and 3.4 above.

**Q3.6 Should some qualifying conditions be prescribed for renewal of MSO registration, under which the MSO, along with the application for renewal, shall be required to submit its compliance status with the terms and conditions of registration and the extant regulatory framework?**

**Please provide the details of:**

- (i) List of necessary compliances that should be mandatory for considering renewal of MSO registration,**
- (ii) List of documents, which may include, but may not be limited to, self-certifications, NOCs from TRAI/MIB/licensing authority, audit reports etc. that would be required to be submitted for verification of such compliances at the time of application,**
- (iii) Any other mandatory requirements for verification of status of compliances of the MSOs before grant of renewal of registration.**

**Please elaborate your suggestions with reasons for the mandatory requirement of each compliance in tandem with ease of doing business in the television distribution network.**

**NBDA Comment:**

In addition to the requirements already laid down by TRAI under Annexure III of the Consultation Paper, NBDA suggests that TRAI should also consider the following suggestions to be included to the compliance requirements for renewal/extension of registration of MSOs:-

- 2.1 The renewal/extension form should be accompanied by the latest audit report of the digital addressable system of MSOs for the year in which such renewal/extension application is being submitted, along with a declaration that such audit has been conducted every year by the MSOs. This will ensure that the systems deployed by MSOs are in complete compliance with the extant Regulations.
- 2.2 Additionally, MSOs should self-certify their complete compliance with the extant Interconnection Regulations, Tariff Orders and Quality of Service Regulations notified by TRAI, ensuring their compliance with the regulatory framework.
- 2.3 The application should also be accompanied by a no dues certificate from all broadcasters with whom the MSOs have executed an Interconnection agreement during the last 10 (ten) years for availing signals of the channels of such broadcasters. This will ensure the existence of ethical and financially stable stakeholders in the cable television broadcasting sector.
- 2.4 The Applicant seeking renewal/extension of registration should have such minimum net worth as may be reasonably prescribed by the licensing authority, and the same should be maintained at all times during the term of registration. TRAI may decide on the requisite net worth value keeping in mind the investment required for deploying standard equipments of approved parameters and the amount of capital required for running the day-to-day

activities of the MSOs business. The requirement for maintaining a minimum net-worth will ensure that the registered MSOs are capable of maintaining the required infrastructure for providing efficient connectivity to the end user in accordance with all Regulations and the regulatory framework. In addition to the above, having a minimum net worth will also ensure proper installation and timely maintenance of the infrastructure required to run the business of the MSOs with an optimum consumer support facility.

- 2.5 All platform services of the MSOs should be listed in a separate annexure to the extension/renewal application.
- 2.6 The extension/renewal application should also be accompanied with details of the person managing the business along with the address, contact number and email address of such personnel, which will ensure accountability on the part of the MSOs.
- 2.7 In the application seeking renewal/extension of registration, the MSOs should be obligated to disclose information and details pertaining to cross-media ownership, i.e., whether any broadcasting entity has ownership/substantial stake in the MSO and the details with regard to the same. In case the above exists and during the tenure of registration, the MIB could consider imposing express and specific conditions to ensure that none of the actions of that particular MSO/s has an adverse effect on competition. Any such instances, if noticed, must result in suspension/revocation of the MSO's license, after giving the MSO an opportunity of being heard.

**Q 3.7 Should there be any additional terms and conditions for renewal of the permission for MSO registration? Please elaborate.**

**NBDA Comment:**

In addition to the submissions made in response to Q 3.6 above, NBDA submits that MSOs should furnish a certificate for Conditional Access System (CAS) and Subscriber Management System (SMS), deployed at each headend, issued by the Telecommunication Engineering Centre (TEC) DoT, which has been designated by TRAI as the Testing and Certification Agency for CAS and SMS used for Broadcasting and Cable TV services as per order dated 21-09-2021. In case there are any observations mentioned in the summary of the testing report, then the MSOs should furnish evidence providing proof of measures undertaken by the MSOs to mitigate such shortcomings and conduct a retesting of the equipments subsequent to mitigating the shortcomings. This will ensure that the equipments

deployed at each headend of the MSOs is in compliance with the extant Regulations and are capable of catering to the need of end-users.

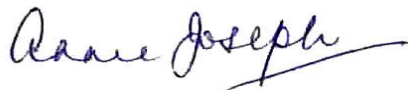
It is also submitted that TRAI should ensure the establishment of a system, whereby, there is complete transparency vis-à-vis the number of subscribers of the MSOs and the LCOs in CAS, as even presently the broadcasters are not aware of the exact number of subscribers who have subscribed to their channel/s, which the MSOs and LCOs regularly fail to disclose.

Further, comments and views may also be sought/invited from other competing MSOs/Broadcasters on any issues being faced by them which are a potential competition concern.

NBDA submits that in the digitized market, MSOs should not use capacity constraint as an issue or excuse for denying carriage of channels. Therefore, at the time of renewing registration, MSOs must be under a mandate to develop a capacity of minimum of 500 channels.

These comments are submitted by NBDA on behalf of its Members.

Regards,



Annie Joseph  
Secretary General