

Ref: AIDCF/FY21-22/32

Date: 19th January 2022

To,

Shri Anil Kumar Bhardwaj
Advisor (B&CS)- II
Telecom Regulatory Authority of India (TRAI)
Mahanagar Door Sanchar Bhawan,
J.L. Nehru Marg, (Old Minto Road)
New Delhi - 110002, India

Sub: AIDCF inputs on TRAI consultation paper on “Ease of Doing Business in Telecom and Broadcasting Sector”.

Dear Sir,

This is with reference to consultation paper on “Ease of Doing Business in Telecom and Broadcasting Sector” dated 8th Dec 2021 published by TRAI, wherein comments are invited from stakeholders.

In this regard, kindly find attached AIDCF inputs as attached to this letter.

We hope that our attached submission will merit your kind consideration and same will be considered while formulating the recommendations.

Thanking You

Yours Faithfully

For, ALL INDIA DIGITAL CABLE FEDERATION



Manoj P. Chhangani
Secretary General- AIDCF

AIDCF response to TRAI consultation paper on “Ease of Doing Business in Telecom and Broadcasting Sector”

At the outset, we would like to put on record our sincere appreciation and gratitude for all the endeavours and measures that the Hon’ble Telecom Regulatory Authority of India (TRAI) has been putting forth in the recent past to improve the functioning of the broadcasting and telecommunication sector by periodically introducing diverse regulations and processes with deep involvement of the concerned stakeholders.

The captioned CP is likewise a welcome step towards ensuring that the prevalent existence of red tape in the nature of unnecessary hinderances and duplication of efforts is largely eliminated, thereby enabling the stakeholders to pursue their business with complete ease.

The Authority, in pursuance of its vision for growth, streamlining and revamping the broadcasting and telecommunication sector has been seamlessly working towards introducing measures for ease of doing business in order to provide a hassle free, healthy and competitive environment to any new entrant and/or existing players in this sector. We take this opportunity to highlight that lately, the Ministry of Information and Broadcasting (MIB) has, vide its notification dated 29.12.2021, permitted the sharing of infrastructure by and amongst the multi-system operators (MSOs) basis the recommendations forwarded by the Authority on ‘Sharing of Infrastructure in Television, Broadcasting and Distribution Sector’ dated 29.03.2017. The said notification will undisputedly encourage and provide a sustainable environment to smaller MSOs that are deterred from remaining operational on account of huge investments towards the distribution infrastructure.

Another important measure that can be further undertaken by the Authority for promoting ease of business is the grant of ‘infrastructure status’ to the broadcasting sector. The significant importance of the broadcasting and content distribution infrastructure is evident from the fact that besides delivering cable television signals, the infrastructure can be effectively used to deliver broadband and internet connectivity services thereby effectively contributing to the E-governance initiative of the government as well as for proliferation and growth of broadband and internet connectivity services. The subsisting cable television infrastructure which connects approximately over 100 million urban and rural households, has indispensable potential to provide reliable and affordable broadband services along with cable television distribution services. The Authority would be aware that almost all multi-system operators (MSOs) that are indulged in providing broadband services through their subsidiaries/ affiliates have a valid Internet Service Provider (ISP) license. In addition, large number of local cable operators (LCOs) have laid down their vast network for providing last mile connectivity till the premises of the subscribers. This evidently establishes that the MSOs have formidable capacity to reach each household in the country by utilizing the last mile connectivity of the fiber cable and network infrastructure of the LCOs. Therefore, taking into consideration that the cable television networks have formidable reach to

cater to the entertainment and information needs as well as growing demand of broadband services, it is imperative that the distribution networks of MSOs and LCOs be recognised and granted 'infrastructure status'.

We seek to bring to the kind attention of the Authority that grant of 'infrastructure status' will lead to the following benefits:

- a. Capital borrowing will become cheaper for upgrading technologies and optical fiber network.
- b. Considerable reductions in interest rates for long term borrowings,
- c. Ease in getting higher external borrowing,
- d. Tax holiday as per 80-1A of Income Tax act.
- f. Exemption from paying custom duties on:
 - i. Optical Line Terminal (OLTs), Optical Network Units (ONUs), Network Operations Centre (NOC) infrastructure, that are used for providing broadband services,
 - ii. Set Top Boxes (STBs) and headend infrastructure that are used for provisioning of cable television services.
- g. Impetus to indigenous manufacturing of OLTs, ONUs and NOC related infrastructure ensuring that the indigenous products are available at comparable prices.

It is therefore, suggested that grant of infrastructure status to the broadcasting and cable distribution sector will not only help in the proliferation of the broadband and cable television services, but will also aid ease of business. In view of this backdrop and without prejudice to the aforesaid submissions, we would like to submit our comments on the issues which are relevant to our business/sector i.e. Cable Television Services and Internet services. We stand ready to be involved in further consultations, industry dialogues that may be undertaken by the Authority before finalizing any view on these issues.

ISSUES FOR CONSULTATION

Q1. Whether the present system of licenses/permissions/registrations mentioned in para no. 2.40 or any other permissions granted by MIB, requires improvement in any respect from the point of view of Ease of Doing Business (EoDB)? If yes, what steps are required to be taken in terms of:

- a. Simple, online and well-defined processes
- b. Simple application format with a need to review of archaic fields, information, and online submission of documents if any
- c. Precise and well-documented timelines along with the possibility of deemed approval
- d. Well-defined and time bound query system in place
- e. Seamless integration and approvals across various ministries/departments with the end-to-end online system
- f. Procedure, timelines and online system of notice/appeal for rejection/cancellation of license/permission/registration

Give your suggestions with justification for each license/permission/ registration separately with detailed reasons along with examples of best practices if any.

Response: We would like to draw the kind attention of the Authority that although Ministry of Information and Broadcasting (MIB) is playing a pivotal role of nodal ministry for issuance of licenses, permission, registration, as applicable, for the Broadcasting and Cable Sector, there is a dire requirement to change and channelize the existing processes. It may be noted that the current processes need to be improved for making the process for grant of permissions more streamlined. We state that although MIB has developed the portal of 'BroadcastSeva' with URL <http://broadcastseva.gov.in/> for submitting applications online by the stakeholders and applicants for grant of various permissions, registrations, and licenses issued by MIB for broadcast-related activities, however, the applicant is thereafter required to send the physical copy of the application along with the documents to MIB within fifteen(15)days of online submission of the application. Following suggestions are being tendered to simplify the process of grant of applicable license or permissions:

1. Single unified portal with prescribed timelines for MSOs:

It is therefore, suggested that after filling of application online on BroadcastSeva, the further processes of submission of physical documents, should be done away with. The process involving various other Ministries such as Ministry of Home Affairs (MHA) for Security Clearances is also a time consuming process by virtue of which the application is forwarded for getting the requisite clearance. It is suggested that the procedure of security clearances shall be simplified and rationalized in the context of ease of doing business. It may be noted that presently, ministries like Ministry of Home Affairs (MHA) do not have a timeline for response. This results in delays and hectic follow-up(s) by the applicant who is required to run from pillar to post for getting all the clearances for obtaining the license or registrations or permission, as applicable. Therefore, a strict timeline should be prescribed for such clearance and in the event, such clearance is not received within the aforesaid prescribed timeline, the same shall be construed as deemed approval towards security clearances and the applicant shall be granted the final license for the provisioning and re-transmission of cable television services. It is further suggested that in the event any applicant is denied the permission of security clearances on account of some past antecedents of any of the directors/promoters, in such case, any entity that has such directors or the 'Related Party'/'Relative' (as defined under the Companies Act, 2013) of such directors/promoters, on its Board; should be denied permission from the Ministry and shall not be allowed to engage in the business of cable television and distribution services.

In the context of Ease of Doing Business (EoDB), it is further suggested that MIB may design a portal/process alike to the **National Single Window System (NSWS) of Department for Promotion of Industry and Internal Trade (DPIIT)** which provides the investors with information on pre-operations approvals required by any investor, both foreign and domestic. Such a portal

would considerably reduce the time and effort of the applicant as well as the concerned Ministry for processing the application of the applicant for obtaining the license or registration or permission, as applicable, for enabling the conduct and start of business. Once an applicant makes the application for the said license or registration or permission, as applicable, via online mode, with all the relevant documents; in such case, further processing of the application should be routed within the concerned Ministries online and should be paperless to a large extent. In the event, there is any further requirement to be fulfilled by the applicant the same should be communicated to the applicant through the portal, via e-mail or on registered mobile number through text message. The applicant would then comply with the additional requirements, online itself. Further, the applicant should be able to track the status of its application till the final stage. This single window would reduce the timeline of the applicant in getting the license or registration or permission, as applicable, while also giving the applicant the real-time status of its application. MIB should look into the aspect of reducing the timeline prescribing the same at each stage of the online process. If in case any Ministry, for any reason whatsoever, is not able to grant the license or registration or permission within the timelines prescribed, even under the instances where the application is completed in all respect, then there should be a provision of deemed approval and the Applicant should be issued final registration or license for the purpose of provisioning of cable television and distribution services.

Further, online query and resolution of the query raised by the applicant should also be designed by introduction of a Chatbot mechanism or Virtual Assistant.

MIB is in the process of deploying a website “Digital India MIB” with the URL <https://digitalindiamib.com>, which is under construction. The aforesaid suggestions may be taken into account while designing the platform for online single window submission of application by the stakeholders for securing license/registration/ permission.

1. Transfer of license in favor of the new entity in the event of name change of any MSO company:

It is suggested to the Authority in the context of provisioning Ease of Doing Business is that in the event any duly registered MSO which is a company duly registered under the Companies Act, 1956/2013, undergoes a name change after the grant of due registration and license from MIB, a provision should be made in terms of which such license is duly and automatically reflected in the name of the new entity after providing due intimation and submission of ‘Name Change Certificate’ issued by the Registrar of Companies, to the Ministry of Information and Broadcasting.

2. Grant of license to the LCOs vide a centralized web-portal:

It is suggested to the Authority that the current process for registration of Local Cable Operator (LCO); needs to be modified. LCOs are obligated to use offline mode for submission of application form to its respective head post office for getting postal license certificate. All the connected

activities i.e. mode of depositing fee, intimation of status of application etc. are offline. There are no actual verification facilities for these postal certificates. The Authority would acknowledge and agree that on account of existence of varied set of rules for obtaining postal registration across various districts and states in the country, the process of obtaining registration becomes cumbersome for the LCOs who intend to operationalize their business. Hence, with a view to streamline, bring complete uniformity in the registration process of such LCOs across the entire country and to ensure that such LCOs have ease in provisioning their services, we suggest that a central registering authority with centralized web portal (Single Window System) (SWS) be notified under the Cable Television Networks (CTN) Act for hassle-free registration of such LCOs. It is suggested that such LCOs may be permitted to register themselves with MIB using an automated platform with Aadhar verification and an undertaking be obtained from the LCO to comply with all relevant provisions of the CTN Act. We would like to suggest that validity of the license certificate issued to LCOs should be enhanced from one year to ten years. We once again request the Authority to implement the process for LCO registration through online mode and establish a centralized repository system to issue certificates and maintain the database of LCOs for Pan India.

3. Simplified process of GST Registration of the LCOs:

We have already established vide numerous representations to the Authority that all liabilities with respect to GST and the past dues of Entertainment Tax are to be borne by the LCOs as the cable television network is controlled, managed and serviced by the LCO and all payment charges towards the same are collected by the LCOs from the subscribers. Hence under all instances, these liabilities should be discharged by the LCOs. However, the Authority would be aware that in most circumstances, the LCOs are either not required to collect GST on account of non-applicability or are not able to undergo the complex process of GST registration and hence are left unregistered. Therefore, it is suggested that the GST registration process be simplified for such LCOs and a provision should be made on the web-based centralized portal vide which the LCOs, while making an application for LCO registration can also be simultaneously registered under the GST law and a GST number be assigned to such LCOs along with the license number. This will simplify the GST registration process for the LCOs, thereby ensuring that the applicable authorities are able to collect GST from LCOs that fall within the purview of taxation slab, without any hassle.

4. Removal of taxes that are levied by local/municipal bodies:

We also take this opportunity to highlight and put to the Authority that although after the implementation of Goods and Services Tax (GST) in 2017, all form of taxes including entertainment tax as well as other local body taxes were to be subsumed under GST; however, even till date, a parallel tax in the name of 'municipality tax' is being levied by local/ municipal bodies on cable television services in the union territory of Puducherry, to the tune of Rs.7/- per subscriber. It is stated that any instance of levy of such additional taxes by any government authority or local body defeats the objective of GST that aims at bringing uniformity and disrupts the tax environment.

We therefore, urge to the Authority that for facilitating ease of business, all such additional local body taxes should be done away with, to avoid subsistence of any parallel taxation scenario.

5. Expeditious redressal of issues in relation to Right of Way (RoW):

While the Authority, vide its Recommendations dated 31.08.2021, has duly acknowledged and recommended setting up of a single window clearance mechanism for obtaining the Right of Way (RoW) permissions, however the timeline that has been prescribed for the same, is that of a year. It is therefore suggested, that such process of developing a single window clearance and uniform prices should be expedited for facilitating ease of business.

The Authority may also take note that ease of doing business should not only be restricted to the processes easing out the grant of permissions but also enabling business friendly laws/ regulations and creating a level playing field for each stake holder of broadcasting and cable distribution ecosystem. We state that the Cable and Broadcasting sector is a heavily regulated sector with great disparities in approaches, especially for the Distribution Platform Operators (DPOs). While other industries have been granted the liberty to evolve by its experiences, Broadcasting and Cable Sector is still viewed as an immature sector in spite of its long evolving past. We are therefore, of the opinion, that the cable television sector should also be left to the market forces for its evolution as the unscientific regulatory regime guarding the cable television sector is curbing the growth of the sector.

Q2. Whether the present system of licenses/permissions/ registrations mentioned in para no. 3.81 or any other permission granted by DoT requires improvement in any respect from the point of view of Ease of Doing Business (EoDB)? If yes, what steps are required to be taken in terms of:

- a. Simple, online and well-defined processes**
- b. Simple application format with a need to review of archaic fields, information, and online submission of documents if any**
- c. Precise and well-documented timelines along with the possibility of deemed approval**
- d. Well-defined and time bound query system in place**
- e. Seamless integration and approvals across various ministries/ departments with the end-to-end online system**
- f. Procedure, timelines and online system of notice/appeal for rejection/cancellation of license/permission/registration**

Give your suggestions with justification for each license/permission/ registration separately with detailed reasons along with examples of best practices if any.

Response: We would like to suggest that the Department of Telecommunications (DoT) requires some improvements in existing system for grant of license, registration, permission, as applicable, in the light of ease of doing business and for the welfare of stakeholders, single unified portal as have been suggested under response to Question no. 1 could be implemented by designing a portal with

mechanism to handle the application at all stages of its clearance till its final approval stage including the deemed approval aspect.

We further suggest that for provisioning of ease of business, it is the need of the hour that the levy of license fee on the Internet Service Providers which is payable on the Adjusted Gross Revenue (AGR) of their businesses, should be completely scrapped. The Authority would acknowledge that the ISPs are placing their own infrastructure in their own private capacity and at their own costs and expenses, for dissemination of broadband services and are not using any central/state/national resources. Moreover, for enhancing the mechanism of provisioning of broadband services, the government has also been executing public-private partnerships for laying fiber. Therefore, subjecting ISPs towards the payment of license fee in absence of any involvement of national /state owned resources or infrastructure, does not appear as a viable proposition and hence should be forthwith done away for proliferating the growth of broadband and internet connectivity services.

The Authority would agree and acknowledge that the networks of MSOs and the LCOs have formidable capacity to provision broadband and internet connectivity services on account of the last mile connectivity. Recently, basis the recommendation of Ministry of Information and Broadcasting, DoT has finally adopted corrective measures and has issued an amendment in the definition of AGR, directing exclusion of revenues of non-licensed activities in the computation of AGR, thereby excluding revenues from cable television business from the computation of AGR on prospective basis, i.e. with effect from 1.10.2021. While this reform will encourage many MSOs to develop infrastructure for promoting and provisioning of broadband services, however, the apprehension regarding the retrospective license fee dues, still continue to subsist amongst the MSOs and several litigations still stand pending before various forums regarding the same. We suggest that the Authority may co-ordinate with DoT for issuance of a similar clarification note for the past dues as well on the same ground, i.e. neither prospective or retrospective revenues generated under any separate license issued by the Ministry should not be considered for the purpose of computation of AGR and the levy of license fees. The Authority would acknowledge that withdrawal of the alleged demands that are subsisting in relation to retrospective dues as well as the same will enable the MSOs and the cable operators to channel their available resources towards further proliferation and growth of broadband services.

It is suggested that the Authority would be aware that for providing quality broadband services, the ISPs are required to make huge investments in terms of backend support infrastructure like Network Operations Center (NOC), engineers, technicians, routing functionalities, security infrastructure, and all applicable resources. Therefore, it is suggested that grant of license to any player should be subjected to evaluation of capability to deploy effective resources. Absence of such criteria may create numerous non-serious players without adequate capacity of provisioning quality broadband services, and may expose consumers to security risks. Hence, we suggest that a net-worth criteria should be adopted and identified with respect to different license categories

‘A’, ‘B’ and ‘C. Analysing and filtering applicant’s basis the net-worth criteria will ensure that the said ISPs will possess adequate resources and capacity to provide effective and quality broadband services, in furtherance of consumer interests. Suggestive net-worth criteria that should be adopted for different category of licenses is as below:

S No.	Category of License	Net-worth (in Rupees)
1.	A	3,00,00,000/-
2.	B	20,00,000/-
3.	C	2,00,000/-

The Authority may also take note that while working on the ease of doing business modules the policy of Atmanirbhar Bharat i.e., Self-Reliant India and Make in India should also be kept in view i.e., foreign players should not be allowed at the cost of Indian Companies.

Q.12 What measures should be taken to ensure that there is no duplicity in standards or in testing at BIS, WPC, NCCS, and TEC? Which agency is more appropriate for carrying out various testing approvals? Provide your reply with justification.

Response: The Authority, vide Order dated 20.09.2021 has already designated the Telecommunication Engineering Centre (TEC) as a testing and certification agency for carrying out overall administration, co-ordination and execution of testing and certification of Conditional Access System (CAS) and Subscriber Management System (SMS). The TEC has been enshrined with the powers to provide requisite certifications and to empanel/declare the list of accredited testing labs that fulfil the requirements for carrying out testing as per the defined Test Schedules and Test Procedures. We suggest that the said TEC shall also provide certification to the set top boxes (STBs) of the DPOs that are deployed and used for the purpose of retransmission of cable television signals. As such, TEC can then operate as a single uniform body for the purpose of providing certifications and approvals to all equipment that is used for the purpose of retransmission of cable television services. Another suggestion that is put forth to the Authority is that the CAS and SMS vendors that are allowed to remain operative in India should strictly be incorporated and registered under the Companies Act, 2013 so that they can be subjected to the provisions of Indian laws in the event of any requirement/support.

Q16. What are the issues being faced by various service providers in seeking stable and committed quality power supply connections from power DISCOMS? For state-wide operations whether it is feasible to get power supply in time bound manner for various locations from a single-window contact or has to be made region-wise. What measures do you suggest to improve the same?

Response: Electricity and power supply is an essential element for any business operation. Hence, there has to be a continuous power supply available for running the operations of any business in

a smooth manner. The Authority's kind attention is also drawn to the fact that one of the parameters out of the 10 parameters of World Bank's annual Doing Business Report 2020 for assessing the ranking in terms of EoDB is "Electricity" i.e. Power Supply. Hence, the availability of continuous power supply is a key factor for smooth running of any business and creating a viable environment for setting up a business. However, despite of various initiatives of Government for provisioning uninterrupted power supply, we are still way behind other developed countries leading to dependency on alternative supply of power like Diesel Generator Set at the cost of our finances and environment.

We state that presently, the service providers are encountered with interrupted power supply/power cut from time to time which affects the continuous functioning of Headend for cable television business and Optical Network Units (ONT), switches and Networks Operation Centre (NOC) in respect of ISP business leading to disruption in service to the end user which is beyond the control of service provider. Therefore, in order to ensure continuous power supply, the electricity board must consider provisioning of "Hotline" i.e. dedicated supply to the Telecom and Broadcasting sector in a similar manner as is made available to railways, metro, hospitals, doordarshan, crematorium etc. It may be pointed out that Telecom and Broadcasting also comes under the purview of "Essential Services".

It is also suggested that for providing ease of operationalization of business, any applicant/operator (MSO/ISP) must receive required power supply within a specific timeframe after making an Application to the Board. Further, all processes related to the application, payment of fees etc. should be made online through a single body i.e. the Central Electricity Board, which in turn will percolate the request to the respective State Electricity Board for providing the electricity supply/connection in a time bound manner.

In conclusion, it is stated that there should be a single mechanism in place for the continuous and uninterrupted power supply and at the same time the quality of power supply provided by Electricity Distribution Companies (DISCOMS) should not be compromised in view of the suggestions given above.

Q17. Whether the extant mechanism of reporting and filing at the SARAS portal and the offices of Controller of Communication Accounts (CCA) simple and user-friendly? If not, what measures are required to make it simple, transparent, and robust? Justify your comments.

Response: We state that presently, the Saras Portal is being used for payment of license fees on quarterly basis. Most of the tabs and hyperlinks on the portal have not yet been made operational. We suggest that the SARAS portal should be made comprehensive enough to record all details with respect to list of compliances, compliance reports, bank guarantees and all other records of financial transactions between the Licensor and the Licensee. This will ensure that the Licensor will have access and complete visibility to all requisite information, approvals and transactions on one single portal in a user-friendly manner. The portal should be equipped in such a manner that

multiple Bank Guarantees which are submitted by the single operator for different licensed service areas may be consolidated and furnished at a single point. In short, License Fee (LF)/Spectrum Usage Charge (SUC) payments, Bank Guarantee related submissions, receipt and response to various notifications and notice, including deduction verification related Show Cause Notice, LF/SUC demand notices, BG related notices as well as submission and response to representation and grievances must be centralised at one portal with hyperlinks to related sites for post license financial activities.

It is brought to the kind attention of the Authority that in view of our response to Question No. 2, we suggest that post removal of levy of license fees, the requirement of submission of quarterly reports in relation to Adjusted Gross Revenues (AGR) should also be done away with and removed from the SARAS portal.

Q20. What measures are required to be taken to simplify the various submissions/filings made by teleport operators, DTH operators, MSOs, and other stakeholders at MIB? Provide your detailed reply with justifications.

And

Q21. TRAI seeks multiple reports through its multiple divisions at predefined frequency intervals. Reports submitted by operators are examined and for non-compliances, show cause notices are issued and financial disincentives are imposed, wherever applicable. Do you think there is a need to improve reporting and compliance system in TRAI? Please elaborate your response with justifications.

Response: We state that there are multiple reports which are required to be submitted to the Authority at periodic intervals. The reports almost capture the entire functioning of a MSO. These reports are given on monthly, quarterly and yearly basis. Though compliance and audit is crucial for maintaining regulatory check over the service providers, the Authority must reconsider the unnecessary/undesired interference into the functioning of a MSO. It becomes cumbersome when repeated information is required to be furnished during filing of each report. In our opinion, if these reports are integrated together in such a way that the service provider is relieved from the task of submitting the data on repetitive basis, the same can simplify the task of the MSO on one hand and on the other hand the Authority could get the desired information in a single report itself. For instance, if reports pertaining to the financial operations and subscriber related data are integrated in a single requirement/report, it would be easier for the MSO to furnish the information at a single go and also the Authority will not have to go through series of reports. Further, the report filing interval may be reduced from monthly and quarterly to yearly basis. It is also suggested that as the government has undertaken multiple initiatives towards “ease of doing business” and our country has excelled in the ranking from 130th position in 2016 to 63rd position in 2020, which itself proves that if the processes are simplified, the service providers will be able to concentrate more towards their basic functioning. Hence, online filing of reports should

be mechanized in such a way that the Authority would be able to access the individual service provider reports and the same will also ensure that data privacy and secrecy is maintained. Hence, if the processes for making submissions and filing of reports to the government are simplified, the non-compliance related to these filing would be reduced to a considerable extent, which in effect would reduce the financial disincentive that may be imposed on the MSOs.

We seek to bring to the kind attention of the Authority that lately, Prasar Bharti has been seeking information on behalf of MIB, that are already part of the Monthly Performance Monitoring Report (M-PMR) and the Quarterly Performance Monitoring Report (Q-PMR) which are submitted by the DPOs to the Authority on monthly and quarterly basis respectively. We suggest that the Authority should devise a centralised portal for submission of such reports and till such time, the concerned department of the Ministry may directly co-ordinate with the Authority for procuring such relevant data. This will save considerable time for both the DPOs as well as the applicable authorities as the concerned departments can directly obtain access of such reports from TRAI and will not have to await for such data from the DPOs.

It is also suggested to the Authority that all players in the Television Distribution Market should be mandated to share the aforesaid information in terms of monthly and quarterly reports, without any exception so that the Authority has an overall and accurate insight into the television distribution market. Besides that, any DPO that fails to share its monthly and quarterly reports, or shares reports that undermines the due spirit of the regulatory framework, for a consecutive period of six months; should be mandatorily subjected to the termination and/or suspension of license, as and what the Authority may deem fit. This will ensure that only serious and compliant DPOs continue to sustain and are allowed to continue operationalizing their business. Another suggestion that is put forth in this context is that in the event any DPO, has failed to operationalize its business within the timeline prescribed in the license, such DPO should be subjected to a show-cause and in the event of failure on part of the DPO to submit a satisfactory response, the license of the DPO should be forthwith terminated and/or cancelled as may be applicable. The said process of termination and/or cancellation shall be automated on the implementation of the unified web portal for registration and licenses.

To conclude on this issue, since we are moving towards “Digital India”, where telecommunication and broadcasting sectors have emerged as key drivers of economic and social development and investors are looking towards these sectors as an opportunity, the processes should be made simpler and consolidated.

Q22. Identify those redundant items which require deletions and at the same time the items that need to be included in the reporting and regulatory compliance systems due to the technological advancements. Suggest such changes with due justifications.

And

Q23. What kind of IT-based reports and compliance submission processes do you suggest in TRAI? Provide your comments.

Response: We state that presently, the Internet Service Provider (ISP) has to file multiple reports pertaining to financial aspects, technical related, network set up, customer care related etc., with respect to several information that are required to be submitted to the Department of Telecommunications (DoT). Due to the technological advancement, various sectors have simplified their processes by moving towards online submissions and filing/reporting of the compliance desired by their regulators which is an effective step towards ease of business. Hence, the processes for reporting compliance ought to be simplified and rationalized. Following are the suggestions made as a step forward towards EoDB:

i. Single Window Reporting:

It is suggested that applying the concept of single window reporting, methodology for submission of a single exhaustive and comprehensive report with DoT-HO may be adopted rather than sending reports at individual regional offices of DoT. Also mechanism to retrieve the reports filed in DoT-HO by the Regional HO should be put in place.

ii. Formats of the reports are not standardised and are often region specific as different region requests for different information:

Reporting formats needs to be standardised for all offices of DOT including Regional Offices and circulated to all the stakeholders and ISP Operators with directives to follow the same.

iii. Certain information asked are irrelevant;

Information pertaining to details of franchisee, job creation, network penetration in villages etc. directly has no bearing to the protection of customer interest or development of business /industry. Hence, such information should be kept out of the reporting parameters.

iv. Reports are sent monthly, quarterly, half-yearly as well as yearly;

Frequency of sending reports needs to be reduced, as reiterated in our earlier response, these frequency may be brought down to quarterly reporting for the reasons enumerated therein in our response to question no. 20 and 21.

In the context of cable television business, reporting and compliance requirements as per the Regulations and Tariff Orders viz (1) the Telecommunication (Broadcasting and Cable) Services (Eighth) (Addressable Systems) Tariff Order, 2017, (2) the Telecommunication (Broadcasting and Cable) Services Interconnection (Addressable Systems) Regulations, 2017, The Telecommunication (Broadcasting and Cable) Services Register of Interconnection Agreements and all such other matters Regulations, 2019 and the Telecommunication (Broadcasting and Cable) Services Standards of Quality of Service and Consumer Protection (Addressable Systems) Regulations,

2017. With respect to the same, we state that at present there are more than 1,50,000 LCOs associated with 1747 MSOs and 357 broadcasters. Hence, huge number of interconnect agreements are executed and details of execution of such agreements including accepted Reference Interconnect Offer (RIO) are reported to the Authority. Amongst them a large number of agreements are in Standard Format viz: Model Interconnect Agreement (MIA), Standard Interconnect Agreements (SIA). These agreements mostly have a period of validity of only one (1) year and hence renewed every year.

Submission of copies of agreements, RIOs and along with renewals between such huge number of LCOs and MSOs apart from other reports pertaining to change in bouquet, its pricing etc. needless to say, is an herculean task. The Authority may therefore, consider to waive off submission of copies in case of Standard Agreements and simply adopt / install an online mechanism where both the parties i.e. distributors and LCOs affirm/ undertake to the Authority through online mode about the execution and existence of agreements in lines with the prescribed requirements.

There is requirement of some mechanism to report to the Authority about hurdles and issues faced by the MSOs so that the Authority may intervene and work out redressal of the issues such as STB swapping, withholding of STBs by LCOs upon migration, cable cutting , transmission of unlawful (analogue) and foreign channels etc. which affect smooth running of business.

It is suggested that apart from providing On-line reports, application-based or portal based reporting is required to be introduced, where the information so captured in MSO's/ISP's database shall be incorporated to the portal of reporting agency/ authority via link as is done in application-based banking system. The Authority has recently developed a Broadcasting & Cable Services Integrated Portal (BIPS), which has gone live on 2nd January, 2020 for filing of the interconnection agreements. The portal is also likely to incorporate tariff and PMR filings in a phased manner. Such type of reporting and submission of data is likely to bring ease of reporting. Since, the Ministry of Information and Broadcasting (MIB) is also in the process of deploying a website "Digital India MIB", the suggestions that have been made by us in the foregoing responses may be taken into account for simplifying the compliance processes and further, enhancing the ranking of our country towards the initiative of EoDB.