

BIF hails the TRAI Consultation on the New Broadcasting Policy

A Trailblazer step to catalyse the Growth & Momentum of the Digital Economy.

New Delhi, May 20th, 2024

Broadband India Forum (BIF), a leading think tank in the broadband and broadcasting sector, commended TRAI's initiative to gather public input for the National Broadcasting Policy (NBP). In its submission to TRAI Consultation Paper on '**Inputs for formulation of National Broadcasting Policy-2024**'; and in the Open House Discussion held on May 15, BIF emphasized that an enabling policy framework can provide the much-needed fillip for the broadcasting sector to unlock its full potential and position India as a global leader in broadcasting.

In their submission as well as inputs at the Open House, BIF addressed four key areas:

- **Bridging the viewership gap:** BIF proposed measures to bring affordable media and broadcasting services to ~90 million 'TV Dark Households',
- **Tariff forbearance:** In view of sufficient competition prevailing, BIF urged for tariff forbearance akin to telecom,
- **OTTs/OCCPs are not Broadcasting Services:** BIF argued for differential treatment of OTT/OCCPs since they differ from traditional broadcasting services,
- **Market-driven innovation for choice of D2M Technology:** BIF advocated for a market-driven approach to D2M technology, allowing market forces to determine the most suitable technology.

A brief explanation of BIF inputs is given below:

TV Dark Households

On Dark Households, BIF stated that the NBP should uphold the principle that the Public Broadcaster should continue to serve the larger socio-economic goals, without getting into the domain of commercial broadcasting. To tackle the challenge of 90 million 'Television Dark Households', BIF proposed a holistic approach aligned with the overarching goal of achieving nationwide connectivity. Private DTH operators should be empowered to introduce innovative services akin to DD Free Dish to increase television penetration in rural and remote areas where Pay TV services might not be prevalent. In this regard, BIF suggested that the NBP may recommend a level playing field with similar terms and conditions for all distribution platforms including the Public Broadcaster (DD Free Dish). This would help address the market needs and make television services inclusive, accessible and more affordable.

Tariff forbearance

There is ample competition in the market with the presence of 920 registered TV channels, 332 Broadcasters, 1748 MSOs, 81.706 LCOs, and 4 Pay DTH Operators, BIF advocated the need for permitting tariff forbearance like for telecom (where effectively only 3 operators available) so that

private operators can optimise customer benefits and marketing strategies. As regards strategies for rural markets, level playing field should be provided to the private operators to give parity to what done for Public Broadcaster. This can help narrow the accessibility gap in rural and remote areas, and provide a reasonable choice for the consumers.

OTTs are not Broadcasting Services

BIF stated that OTTs and Broadcasting Services are distinct from each other. TV broadcasting and OTT markets are at different stages of development. OTT is a sunrise sector with growth potential and is already contributing immensely to the growth of India's digital economy. **According to a study commissioned by BIF and carried out by three eminent professors of IIMA, the economic value of the app economy estimated at the current rate of growth is expected to reach up to 12% of India's economy by 2030.** On the other hand, TV broadcasting requires a long-term policy with a growth-oriented action plan for the overall growth of the sector

While traditional television fosters connection, OTT platforms offer flexibility. A [survey by BIF and CUTS International](#) found that 38 per cent of respondent consumers watch TV as a family bonding exercise. In contrast, OTT services cater to individual preferences allowing users to enjoy content on their smartphones at any place and time of their choice.

Unlike OTTs, television is a push-based medium, and consumers view content at a time and schedule to be decided by the broadcaster; whereas OTTs are pull-based, where consumers can decide the time and content they want to watch from a library of available content. Moreover, infrastructure pipes for the delivery of broadcasting and OTT services are distinct and require specialised policy/regulatory oversight.

Digital Intermediaries including Multimedia & Communication OTTs are already regulated by Ministry of Electronics and Information Technology (**MeitY**) under the relevant sections of the The Information Technology (Intermediary **Guidelines** and Digital Media Ethics Code). **Rules**, 2021. BIF believes that bringing the same services under MIB and the National Broadcasting Policy would lead to regulatory overlap and create needless challenges for all stakeholders in the industry.

The distinction between OTTs and other broadcasting services is also supported by a recent decision of the Telecom Disputes and Settlement Appellate Tribunal (TDSAT) where the tribunal held that an OTT service is not a TV channel as they are distinct and separate laws govern the two services.¹ Moreover, it is important to note that the two sectors are regulated by different line ministries, according to the Government's Allocation of Business Rules viz. IT by MeitY, Telecom by Department of Telecommunications and Broadcasting by the Ministry of Information and Broadcasting.

Traditionally, OTT services have not been a part of the broadcasting ecosystem since they are functionally distinct from TV and radio broadcasting that involves a combination of carriage and content. TV broadcasters transmit their content to consumers through Distribution Platform Operators (DPOs) and Local cable Operators (LCOs) and Satellite based DTH Operators. However, OTT services send data over the application layer in IP networks, like any other information exchanged over the internet.

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As amply clarified in the recently promulgated Indian Telecommunications Act 2023, OTT services do not directly fall under the definition of telecommunications or telecommunication services. They are also not regulated under the Cable Television Networks (Regulation) Act, 1995 (CTN Act) as they do not require registration under the legislation.

Direct-to-Mobile

BIF stated that while some view offering broadcasting content on mobiles, through D2M (Direct-to-Mobile) technologies as a positive step, it's worth noting that D2M has seen lukewarm adoption globally. Consumers are hesitant to embrace D2M due to factors like cost and performance issues, as evidenced by the tepid reception of the service. The Technical Report on D2M recently released by TEC also corroborates this point.

Moreover, recognising the availability of various technologies for D2M, BIF recommends a market-driven approach to technology selection, prioritising cost-effectiveness in a price-sensitive market like India. A comparative analysis of these technologies should consider infrastructure and device costs alongside functionality and features.

T.V. Ramachandran, President of Broadband India Forum said, “Coming on the footsteps of the recently announced Indian Telecommunications Act 2023, the proposed National Broadcast Policy could serve as a great enabler of reforms in the Broadcasting sector and likely to give a big boost to the entire Media & Entertainment Sector while making India a Global Content Hub not only for Media & Entertainment, but also for sunrise sectors like gaming (AVGC- Animation, Visual Gaming & Comics sector), etc”.

About Broadband India Forum: Broadband India Forum (BIF) functions as an independent policy forum and knowledge-based think-tank that works for the development and enhancement of the entire broadband ecosystem in a holistic, technology- neutral and service-neutral manner. BIF has established itself as a thought leader and a credible and effective voice, to help propel the nation to achieve the country’s ambitious vision of creating a Digital India. To achieve this, BIF works to promote the rapid development of policies, to facilitate affordable and high-speed ubiquitous broadband throughout the country.