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FOREWORD

‘Ease of Doing Business (EoDB)’ has been an oft-repeated word for more than a decade now. The focus on EoDB is a recognition of the fact that business and enterprise need to be enabled. The Government is striving to improve the business environment at every stage across all the sectors. As a sector Regulator, it is incumbent upon TRAI to improve the business environment in the telecom and broadcasting sector. We are enjoined by the TRAI Act to promote and ensure orderly growth of the sectors.

Both the Telecom and the Broadcasting sectors can grow only with enabling policies for service providers.

Enabled service providers can provide better services and make consumers happy. The function of licensor and regulator has got re-defined in recent years. In earlier times, licensor merely functioned as an oversight agency to monitor compliances and carry out

TRAI’s Mission: ‘To create and nurture conditions for growth of telecommunications in the country in a manner and at a pace which will enable India to play a leading role in the emerging global information

inspections. However, in the current business environment, the licensor and regulator have an enabling role. Our mission reflects the commitment for enabling growth of the sector. This consultation on EoDB is TRAI’s endeavour to identify the issues and challenges faced by service providers and suggest appropriate solutions. Previously, TRAI undertook EoDB consultation specific to the Department of Telecommunications (DoT) and the Ministry of Information (MIB), respectively. However, the current exercise spans multiple ministries/ departments. EoDB requires a comprehensive review of end-to-end processes. ‘Whole of the government’s approach means - for the stakeholders - the Government acts as one unit. For the stakeholders, there should be no need to knock on the doors of different agencies/ departments. One application – one window should suffice for all Inter-ministerial approvals.

This comprehensive exercise on EoDB entailed deeper analysis. The application process, compliance process, information submission and payment process through the life-cycle of licenses have been studied. Questions like ‘what’ and ‘why’ for each of the processes have been raised. Keeping with its tradition, TRAI displayed all comments and counter-comments on its website. It is heartening to note the policymakers have actively pursued the stakeholders’ issues and concerns. TRAI team has engaged with the respective officers/ officials of

various ministries and departments. This collaborative and conciliatory approach has already started helping policy makers to identify redundant processes and demand of unnecessary information/ documents/ details. Already, significant reforms have been undertaken by Department of Telecommunications (DoT) and Ministry of Information & Broadcasting (MIB). For example, MIB has revised the guidelines for FM Radio on 4th October 2022 that inter-alia removes the 15% national cap on total number of radio channels an operator can own. Similarly, DoT has undertaken reforms for satellite operators as regards wireless operating license and procedures at Network Operation and Control Center (NOCC) in recent months. TRAI welcomes these initiatives.

EoDB is not a one-time activity. It is a continuous process. Both the Telecommunications and the Broadcasting sectors are technology intensive. On one end, the telecom sector is undergoing massive transformation with deployment of 5G networks. On other end, smart TVs and smart Set-Top-Boxes (connected STB/ android STB) are replacing the hitherto DAS based systems. Therefore, it is incumbent for licensor/ regulator to review existing compliances periodically. It is necessary to involve stakeholders to identify the impediments. There is always a possibility to remove some of the compliances as they become superfluous and introduce new requirements as expedient.

Therefore, TRAI, through these recommendations, proposes the establishment of a standing committee with focus on EoDB. TRAI remains committed to create and nurture conditions for orderly growth of the two sectors. The recommendations strive to create a process-based approach on EoDB. TRAI envisions that such an eco-system will pave way for a periodic review and further reforms. The quick implementation of these recommendations will engender growth of these sectors.

CHAPTER I

INTRODUCTION AND BACKGROUND

A. Introduction

- 1.1 India's phenomenal economic growth and the positive investment climate is a testimony of the healthy growth drivers which the country possesses. India aspires to be the best nation for doing business. To achieve higher growth the country is looking at higher private investments, attracting foreign investments by simplifying the regulatory/ compliance regime. A conducive business environment plays a crucial role in a country's economic development.
- 1.2 Currently, India is the world's second largest telecom market with a subscriber base of 1.17 billion¹. As per the factsheet released by Department for Promotion of Industry and Internal Trade (DPIIT)², cumulative equity inflow under Foreign Direct Investment (FDI) into the telecom sector from April 2000 to September 2022 added up to a total of Rs. 2,32,385 crore (~USD 28.36 billion). The telecom sector is the third largest sector in terms of FDI inflows, contributing 6.34% to the total FDI inflow. The sector has witnessed exponential growth over the last few years which is primarily driven by affordable tariffs, wider availability, roll-out of Mobile Number Portability (MNP), expanding 3G and 4G coverage, evolving consumption patterns of subscribers, Government's initiatives towards bolstering India's domestic telecom manufacturing capacity, and a conducive regulatory environment³.
- 1.3 On the broadcasting side also, India is the second largest⁴ pay television market in the world in terms of subscribers. As per an industry estimate reported in 2022, the total number of TV subscriptions⁵ stands at 178 million which includes pay TV, free TV and connected TV. The FDI cumulative equity inflow into the Information & Broadcasting sector (including print media) from April 2000 to September 2022 added up to a total of Rs. 60,215 crore (~USD 7.35 billion), contributing to 1.6% of the total inflow.
- 1.4 The telecom sector witnessed stupendous growth when it was opened to the private sector⁶. The developments in the telecom sector helped the

¹ https://tra.gov.in/sites/default/files/PR_No.31of2023.pdf

² https://dpiit.gov.in/sites/default/files/FDI_Factsheet_December_2022.pdf

³ <https://www.investindia.gov.in/sector/telecom>

⁴ https://www.ev.com/en_in/media-entertainment/how-a-billion-screens-can-turn-india-into-an-m-e-powerhouse

⁵ https://assets.ev.com/content/dam/ev-sites/ev-com/en_in/topics/media-and-entertainment/2022/ev-ficci-m-and-e-report-tuning-into-consumer_v3.pdf

⁶ https://www.researchgate.net/publication/291349579_Telecom_Privatization_Catalyzed_Indian_Economy_Alone_with_Allied_Sectors_A_Critical_Introspection

other sectors in their operation. The Government is steadfast in its commitment to further the outreach of telecom and information technology sectors. Digital India initiative has become pivotal for the Government's vision of 'Atmanirbhar Bharat'. The growth of businesses in any economy provides support to governments in addressing and overcoming economic challenges faced by the nation in creation of job opportunities, generation of financial resources, and in improving the standard of living of its citizens. Such entrepreneurs stepping into a sector should be encouraged by improving the business environment in India by enhancing simplification, transparency and efficiency in existing regulatory processes and procedures.

- 1.5 In many contexts, ease of doing business can be equated to 'business friendly' policies, regulations and processes. In general, it means less burden on the investors/ entrepreneurs. While many policies have been announced for facilitating investment, effective implementation is important to improve investor perceptions and boost their confidence. Further effective stakeholder enablement is likely to unlock more potential in Indian communication space especially at a time when the world is seeking new investment opportunities.
- 1.6 India offers supportive government policies and friendly business/trading laws. Coupled with skilled and unskilled workforce, this creates a positive mindset amongst the investors. A citizen friendly and accountable administration is the focus of the Government. Adoption of self-certification⁷ by the citizen in place of affidavits or seeking of attestation by Gazetted Officers was the beginning of reforms and an important step in the direction of ease of doing business.
- 1.7 In the telecom sector, structural and procedural reforms have been announced on 15th September 2021⁸ to boost employment, growth, competition and consumer interests. Further, reforms have been announced on 26th October 2022, on wireless licensing⁹ and satellite communications¹⁰. These reforms are expected to ease procedures and streamline clearances to expedite the rollout of Satcom across the country, especially in remote areas.
- 1.8 Further, the Government has introduced the PM Gati Shakti, which is a digital platform that connects 16 ministries including telecom with a view to ensure holistic planning and execution of infrastructure projects¹¹. The plan aims to build Next Generation Infrastructure to improve Ease of Living as well as Ease of Doing Business. It is expected

⁷ https://darpg.gov.in/sites/default/files/om10052013_0.pdf

⁸ <https://pib.gov.in/PressReleasePage.aspx?PRID=1755086>

⁹ <https://dot.gov.in/pdfembed/wireless-licensing-reforms-2022>

¹⁰ <https://dot.gov.in/pdfembed/satellite-communication-reforms-2022>

¹¹ <https://www.india.gov.in/spotlight/pm-gati-shakti-national-master-plan-multi-modal-connectivity>

to facilitate the last mile connectivity of infrastructure. The plan enables the investors to plan their businesses at suitable locations leading to enhanced synergies. For the success of this very ambitious project of Government of India, it becomes a pre-requisite to have very smooth and time-bound processes in telecom and broadcasting sectors.

- 1.9 The 5G services have been launched in India on 1st October 2022. Since then, the telecom service providers are actively engaged in the rollout of 5G services. As on 23rd April 2023, the number of State/ UT-TSP-wise 5G Base Transceiver Stations (BTSSs) is 1,63,878¹². Many reforms are being undertaken by the Government in order to enable an efficient and expeditious roll out of 5G services in the country.
- 1.10 Similarly, in the broadcasting sector, the Government has taken various measures for ease of doing business. For example, on 9th November 2022, MIB has issued consolidated Guidelines for Uplinking and Downlinking of Satellite Television Channels in India, 2022 which is expected to ease issue of permissions to the companies and ease out the compliance for the permission holders.

B. Background

- 1.11 As per the World Banks' Doing Business 2020 report, India has improved its ranking in 'Doing Business' from **130** in 2016 to **63**¹³ in 2020. Thereafter, the World Bank Group has discontinued¹⁴ the 'Doing Business' report. The year-on-year improvement in its global ranking is the direct result of the sustained steps taken by the Government in this regard.
- 1.12 The Center and the State Governments are constantly striving to make India as one of the favorite investment destinations across the world. This has been accompanied by a growing realization that there is a direct correlation between improvements in the ease of doing business and success in attracting investments and generating economic growth. This business-friendly environment should be made in such a way that it encourages more domestic investment including investment in micro, small and medium enterprises and at the same time foreign investment in the country.
- 1.13 Department for Promotion of Industry and Internal Trade (DPIIT) has conceptualized and implemented the National Single Window System (NSWS) portal. The portal has been developed by 'Invest India' which acts as the first point of reference for investors in India. The portal provides the information on pre-operation approvals required by any investor,

¹² <https://dot.gov.in/5g-bts-deployed>

¹³ <https://www.doingbusiness.org/en/reports/global-reports/doing-business-2020>

¹⁴ <https://www.worldbank.org/en/news/statement/2021/09/16/world-bank-group-to-discontinue-doing-business-report>

either foreign or domestic, to commence business. It also facilitates to submit their requests on a single online portal to obtain all necessary clearances.

- 1.14 NSW provides access to over 595 central and 4159 state approvals. The portal hosts applications for approvals from 26 central departments and 19 state Governments¹⁵. A total of 46 approvals of DoT and 17 approvals of MIB have been identified and are being integrated on the portal so far. It is understood that efforts are under progress to ensure more Ministries/ Departments are onboarded.

C. TRAI Initiatives for ease of doing business

- 1.15 EoDB has been a continuous endeavour of TRAI. Many reforms like technology agnostic approach for spectrum or networks have emanated from TRAI recommendations. In the broadcasting sector, the recommendations for introduction of Digital Addressable Systems enabled the sector in a big way. Over the years, TRAI has made umpteen number of recommendations (See Annexure A and B for details) to enable stakeholders and promote orderly growth in both the telecom and the broadcasting sectors.
- 1.16 It is not for the first time that the Authority has taken up EoDB. Two separate consultation processes were undertaken by the Authority (TRAI) on a suo-motu basis to review the existing processes of both the telecom and the broadcasting sectors. Based on the inputs received from various stakeholders and its own analysis, TRAI had issued its recommendations on 'Ease of Doing Telecom Business' to the DoT on 30th November 2017¹⁶ and recommendations on 'Ease of Doing Business in Broadcasting Sector' on 26th February 2018¹⁷ to the MIB. Both the recommendations have been considered by the Government. The status of those recommendations is summarized in [Annexure A](#) and [Annexure B](#) respectively.
- 1.17 In order to have a holistic review of all approvals and permissions in the sectors, the consultation paper was issued suo-moto by the Authority on 8th December 2021. The paper listed out various permissions issued by different ministries/ governments. Accordingly, the objective of these recommendations is to further strengthen business-friendly environment that promotes investments, from within and outside the country in these two sectors and the communication sector as a whole. TRAI observed that the consultation process and the comments have enabled the interaction between the stakeholders and the policy makers. The results

¹⁵ <https://www.nsws.gov.in/>

¹⁶ https://www.trai.gov.in/sites/default/files/Recommendations_EDB_30112017.pdf

¹⁷ https://www.trai.gov.in/sites/default/files/Recommendation_EODB_26022018.pdf

are visible in quite-a-few improvisations/ EoDB measures as outlined in the consultation paper, have been made by the Government in recent months.

D. Consultation with Stakeholders

- 1.18 A comprehensive review of the existing framework for obtaining a new license as well as the permissions required while doing the business has been undertaken by TRAI. As already mentioned in the previous para, the consultation paper was issued on 8th December 2021. Written comments on the consultation paper were invited initially from the stakeholders by 05th January 2022 and counter-comments by 19th January 2022. Upon request of some of the stakeholders and taking into consideration the spread of COVID-19 in the country, the last dates for submission of comments and counter-comments were extended to 02nd February 2022 and 23rd February 2022, respectively.
- 1.19 The Authority has received comments from 45 stakeholders and counter-comments from 04 stakeholders. These comments and counter-comments are available on TRAI's website www.traigov.in. An Open House Discussion (OHD) was conducted on 21st April 2022 through video conferencing which has been attended by more than 160 participants from various stakeholders, including telecom service providers, internet service providers, infrastructure providers, broadcasters, distribution platform operators, satellite operator companies, ICT companies, consumer groups, various associations and representatives from the Government. The consultation paper, comments and counter-comments are available in the public domain. The Government has effected quite-a-few reforms that address concerns raised by stakeholders. The details of the reforms announced in recent period are available at appropriate places in the recommendations. A gist of such reforms in the interest of Ease of Doing Business is placed as [Annexure C](#).
- 1.20 The Authority has noted that action on many of the comments by the stakeholders entail policy changes. One must note that ease of doing business is basically simplifying and rationalizing the procedures and processes being followed without diluting the intent of the policy. This simplification is achieved by identifying and removing the redundant processes, integrating the departments involved, making the approvals online and time bound so to ensure certainty for stakeholders. Also, many a times, the term 'ease of doing business' (EoDB) is confused and misinterpreted as just transition of an offline process to an online process. EoDB is actually a transformation of processes to a simple process while retaining the robustness and the purpose of the policy. The general policy of imposing a greater number of checks and processes for

robustness is not always correct. A simple process can also serve the same purpose, keeping the objective intact.

- 1.21 Pro-active actions taken by the Government, both DoT and MIB, have been a very positive development. Both the departments have carried out multiple reforms in licensing/ registration process in last one year. Some of these reforms are in line with the issues highlighted by stakeholders in response to this consultation. These improvements are quite welcome as TRAI no longer needs to make a recommendation on such issues.

E. Structure of the document

- 1.22 Based on the written comments received from the stakeholders, views shared by the stakeholders during the OHD and its own analysis, the Authority has finalized these recommendations. Chapter II deals with the concept and the need of single window system and its related aspects. Chapter III discusses certain issues as identified from the comments of the stakeholders on the specific questions raised in the CP on the grant of permissions by MIB, the analysis of such issues and the corresponding recommendations.
- 1.23 Chapter IV discusses about the process and procedure of current licensing and operational framework along with the periodic compliance and audit requirements for the permissions granted by DoT, its various regional departments viz. Controllers of Communication Accounts (CCAs) and Licensed Service Area (LSAs). Chapter IV also discusses the process and permissions granted by the wings of DoT including Wireless Planning and Coordination (WPC), Network Operations Control Centre (NOCC) and Telecommunication Engineering Centre (TEC).
- 1.24 Chapter V discusses the specific issues raised by stakeholders of telecom and broadcasting sector on the grant of permissions/ registrations/ licenses by Department of Space (DOS), Ministry of Electronics and Information Technology (MeitY) and Ministry of Power in respect of telecom and broadcasting sector. Chapter V also discusses the action plan for the activities to be performed by the regulator, TRAI with respect to the reporting and compliance requirements. Chapter VI summarizes the recommendations of the Authority on the subject.

CHAPTER II

SINGLE WINDOW SYSTEM

- 2.1 The first and foremost requirement in achieving EoDB is the need to have a fully operational online single window system. Such a portal should be a one-stop digital platform to obtain all clearances and approvals for business operations. With such a single window in place, the basic tenets of predictability, transparency and certainty can be ensured.
- 2.2 With the prime objective of moving towards a paperless regime with a single window system, the Authority raised the following common queries through Question no. Q1, Q2, Q9, Q10, Q11, Q13 and Q15. These questions separately mentioned the specific licenses/permissions/registrations granted by MIB, DoT, WPC, NOCC, TEC, DOS and MeitY respectively involved in providing permissions for telecom and broadcasting services.

Question: *“Whether the present system of licenses/permissions/registrations or any other permissions granted by the concerned Ministry/Department 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.”

- 2.3 This question has been raised with respect to all the ministries and departments involved in providing permissions/approvals. Therefore, the responses received against these questions are very similar and common in nature. The stakeholders have emphasized the pressing requirement of having a fully functional user-friendly online ‘single window’ system. Therefore, the Authority has clubbed such similar comments submitted by the different stakeholders and analyzed their suggestions in this chapter. This chapter primarily deals with creating a single window

system and essential features, thereof. TRAI considers it as essence of EoDB. The comments on other license/ service-related specific issues of each Ministry/ Departments are dealt under appropriate heads in subsequent chapters.

Comments of the Stakeholders

- 2.4 The stakeholders commented that they face several issues while getting a new permission from the Ministry. Many a times, they have to submit the hard copies also. Further while serving the license too, there are many compliances and approvals required from time-to-time, most of which are not available online. They suggested that online system should have simple application forms enabling submission of all the requisite documents. Payment of all applicable fees like processing fees, registration fees, entry fees, license fees, testing fees and any other fees should also be facilitated online through the said single window system.
- 2.5 The stakeholders have advocated that the permissions should be issued online in a time-bound manner with a provision for deemed approvals. The portal should serve as a one-stop solution for all approvals and permission and should be seamlessly integrated across various ministries/ departments with end-to-end online system. The workflows within the ministries and departments should be online for transparency and time-bound completion. The stakeholders have commented that for some permissions, no timelines are defined at all. Stakeholders have noted that the Citizen Charters have been published by all ministries/ departments. Such charters do provide timelines for certain processes/ permissions. Yet even in the case of these processes, the timelines are not followed in letter and spirit in all cases. As of now, deemed approvals on expiry of prescribed timelines do not exist, thereby rendering timelines infructuous.
- 2.6 The stakeholders have commented that in spite of an online application process, hard copies are still being sought at some places. Instead of simplifying, the necessity of submission of hard copies ends up duplicating the efforts.
- 2.7 The stakeholders have drawn the attention of the Authority to the fact that the application forms of most of the processes are outdated. These would have been designed long back, keeping in mind the sector technologies and landscape at that time. The sectors have grown manifold. Much mature licensees exist now, who are trusted partners of the government to achieve the sectoral goals. Similarly, technology has evolved, both in terms of network technologies as-well-as digital application processes. Therefore, there is a need for revisiting the application forms. The stakeholders have not provided the revised application formats, as envisioned in the consultation process. However,

they have mentioned some archaic and redundant fields at specific places. These have been discussed at specific points in these recommendations.

A. The need of Single Window System

Analysis of the issue and views of the Authority

- 2.8 The Authority has taken note of the concerns raised in the comments/ counter-comments and in the open house discussion by the stakeholders. The lack of coordination between different departments, working in silos, is visible in many cases in the form of time being taken and procedures adopted.
- 2.9 It may be recalled that the Authority has issued its recommendations on 'Ease of Doing Business in Broadcasting Sector' dated 26th February 2018 for MIB. These recommendations highlight the need for having a single window clearance portal. Some of the relevant recommendations are reproduced below:
- *The process of granting permission for uplinking of satellite TV channels from India should be streamlined by removing redundant processes, reengineer necessary processes, and making them efficient using ICT.*
 - *MIB should setup an integrated online portal for broadcasters, teleport operators, and distributors of TV channels (DTH operators/HITS operators/MSOs) which should facilitate the filing of applications, processing in MIB, DoS and DoT, tracking of status of applications, payments, frequency allocations, endorsements, permissions, licenses, registrations, and renewals with common database. Preferably, this portal should be integrated with other eGovernance systems like BharatKosh portal, e-Office application etc. Access to the portal should be provided to the Authority also for information and analysis.*
- 2.10 Through the recommendations on 'Ease of Doing Telecom Business' dated 30th November 2017 to DoT, the Authority has recommended that *the entire process of SACFA clearance as well as grant of all licences/approvals, that are issued by WPC, should be made paper-less and executed end-to-end through an online portal.*
- 2.11 Further, the Authority in its recommendations on 'Licensing Framework for Satellite-based connectivity for Low Bit Rate Applications' on 26th August 2021¹⁸ has recommended that *DoT should put in place a comprehensive, simplified, integrated, end-to-end coordinated, single-window online common portal, having inter-departmental linkages for*

¹⁸ https://www.trai.gov.in/sites/default/files/Recommendations_26082021.pdf

transfer of application and information for parallel processing, for all the agencies involved in grant of various approvals/permissions/allocations, etc., like DoS, DOT, WPC and NOCC, wherein the service licensees can place their request and the agencies respond online in a transparent and time-bound manner and all the guidelines, applications forms, fee details, processes, timelines and application status should be made transparently available on the portal.

2.12 It is quite evident that Authority has consistently emphasized the need of a single window system. In accordance with the recommendations of TRAI, both DoT and MIB have developed online portals viz. SaralSanchar and BroadcastSeva, respectively. The licenses and permissions are being applied online through these portals.

2.13 The National Digital Communications Policy (NDCP 2018)¹⁹ under section 2.1(c) emphasizes the need to simplify the existing systems and procedures as under:

“2.1 (c) Simplifying and facilitating Compliance Obligations by:

ii. Simplifying existing systems and procedures for grant of licenses, approvals, clearances, permissions and developing a comprehensive end-to-end online platform.

iii. Specifying timelines within which various types of licenses, permissions and clearances shall be provided by the relevant administrative offices.”

2.14 Single Window System: The fulcrum of ‘ease of doing business’ is an end-to-end single window portal. All the ministries and departments involved in granting permissions to the service providers should institutionalize the mechanism/process for grant of permissions/ approvals through such a fully integrated online single window system. Not only the initial permission process but also the regular compliances, submission of testing and audit reports etc. should be online. A drop-down menu driven form should be available in the portal. A 24*7 active helpline number and a dedicated portal based grievance mechanism system is highly desirable. Such support mechanism should be enabled with the facility of sharing snapshots. Such portals should have high availability on three nines (99.9%) or four nines (99.99%) basis. The Ministry may decide the uptime availability based on criticality of the process. Portal should display the downtime in advance, as and when necessary, for upgrade/ maintenance. The portal should keep evolving resolving the issues being faced while applying and submitting compliances by the service providers.

¹⁹ <https://dot.gov.in/sites/default/files/EnglishPolicy-NDCP.pdf>

A.1 Characteristics of Single Window System

- 2.15 Simplified application formats: Quite a few fields of application forms, as prescribed in the various guidelines, require a review for simplification. Any information sought in the application form which has no value addition to the scrutiny of the application should be eliminated. The application format should be seeking only the relevant information. Sample forms with duly filled in sample data should be available for ready reference of the applicant. The fields requiring uploading of documents should be supported with sample documents for easy comprehension. The upper limit size specified for uploading such documents and the space provided for submitting queries should be sufficient. Auto-save feature should be available while filling the application form or submitting the compliances. The relevant portal pages should have buttons/ features leading to document resizing/ reformatting tools to enable users.
- 2.16 Leveraging the power of digital technologies: The digital transformation of the government processes is essential. New technologies like interactive chatbots and Artificial Intelligence (AI) based tools can help in improving stakeholders' experience. The Authority considers that the adoption of digital technologies, like automated fetching of documents from DigiLocker, contracts with digital signatures, use of block chain technology, hosting data on cloud, integration with e-office, integrated helpdesk, etc., enhances the ease of doing business. Technology has made it possible; it is just a matter of provisioning of these features in the portal. Technologies like chatbot mechanism, virtual assistant, automated call centre, artificial intelligence (AI) based tracking, analysis and response systems, analytics, reporting and management information system (MIS) etc. should be incorporated in the portal. Online auto-verification of documents like fetching and verifying from Digilocker and OTP-based verification should be encouraged.
- 2.17 All permissions to be available on portal: Concerned Ministry/ Department should ensure that all the processes should be completely online and available on the portal. These should include all the permissions, approvals, clearances involved at any stage of granting permission such as test approvals, renewal of permissions, addition/ modification in the existing license, deposition of permission, license, registration, annual renewal fees etc., submission of bank guarantees, activities related to M&A, grant and signing of the licensing agreements and permission letters, actions for non-compliance, release of Bank Guarantees and Security deposits, surrender of license/ permission. The requirement of submitting demand drafts (DD) and BGs as has been prescribed in some extant policy guidelines, should be discouraged. BGs should be submitted online, directly to the designated officer.

Standardized unique ID based receipt should be produced. Online e-payment methods and electronic Bank Guarantees (eBGs) should be adopted and accepted. Alternate instruments for securitization should be explored. The Authority appreciates that the scope of the existing portals is being expanded. The need of physical visit to any department to submit some or the other documents should be eliminated.

- 2.18 Documents to be integral part of the portal: A website of ministry is a tool for online dissemination of information. A portal is a platform for receiving applications and issuing permissions online. It is observed that while an applicant is required to visit the portal for filing application, yet the policy guidelines and other related documents are available on the website. The steps and the processes of permissions are described in the portal. Hence the applicant is required to traverse between the portal and the website which adds to the unease. All the relevant documents related to a permission including the eligibility criteria, policy guidelines, amendments to the guidelines, notices, orders, office memorandum related to the permission policy or procedure, user manuals, sample documents, FAQ, stagewise timelines in case of multi-ministerial approval should be available and accessible in the said permission process on the portal. Further, as a proactive step, the existing licensees should receive automated updates of any amendment/ modifications in license conditions/ guidelines. These updates/ modifications in any guidelines, should also be reflected in the processes of the portal simultaneously, if it entails changes in the due process.
- 2.19 Whole of the Government Approach: Another key characteristic towards the objective of single window system is integration of all the concerned ministries and departments on the portal. Technology allows this integration to happen in several ways. Any relevant single ministry/ department, if left out, defeats the purpose of the portal being termed as single window. All concerned ministries/ departments should figure out means to integrate with other ministries.
- 2.20 Well defined timelines with the provision of deemed approval: Another salient EoDB feature is the requirement of precise and well-documented timelines along with the provisions for deemed approval. Applicants can accordingly prepare their business plans well in advance. These timelines should be decided by the Ministry/ Department in accordance with the best international practices and in consultation with the various divisions involved in the application process. The timelines should be explicitly notified appropriately and communicated to the applicant in the acknowledgment email on filing of online form/ request. Certainty and ease of doing business can be achieved only when the prescribed timelines are strictly adhered to in letter and spirit, since there is a cost

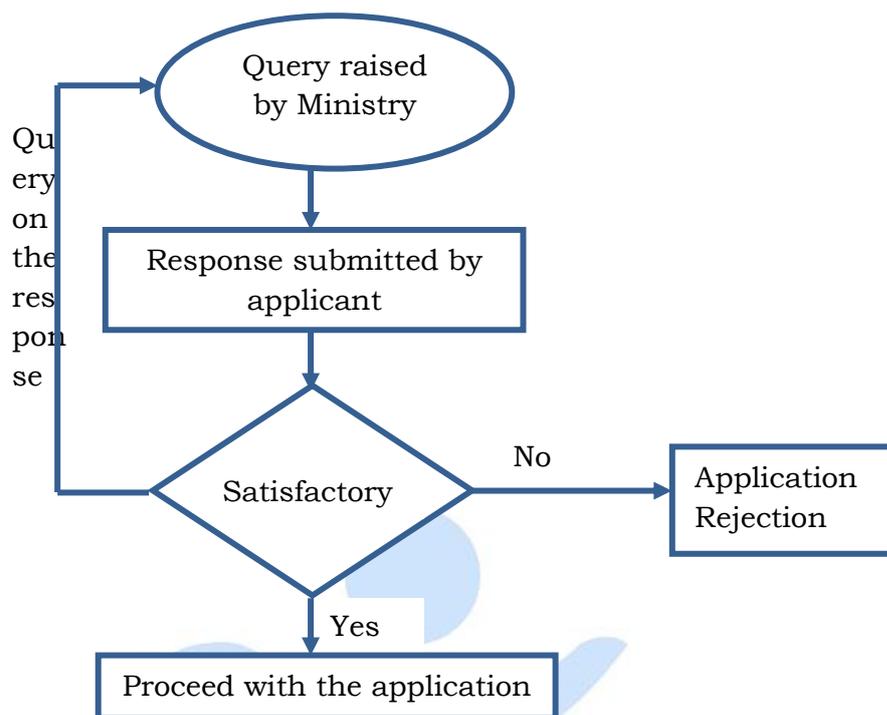
for every delay. Moreover, service providers/ investors have to take certain time sensitive decisions for furthering their business. Generally, the timelines of each process are mentioned in the Citizen Charter. Almost all Ministries/ Department publish the Citizen Charter on their website. However, it is not easily locatable to a fresh applicant as the applicant usually visits the online portal. Therefore, Citizen Charter should be made an integral part of the online portal. An internal alert mechanism about the timeline should be there to remind the concerned official dealing with the case, a few days before the expiry of the prescribed timeline. Further, whenever a particular permission/ approval could not be provided within the time mentioned, it should be liable for deemed approval. The TS-iPASS-Rules-Telangana State Industrial project approval and self-certification system (TS-iPASS) Rules, 2015 amendment dated 28th July 2017²⁰, wherein time-bound clearances are mandated, which is a good example. For ready reference, the relevant para from the TS-iPASS rule is given below:

"...The government may notify the clearances in respect of which the failure of the competent authority to pass final orders on the application within the stipulated time shall result in deemed approval. Certificate so issued to the units shall be binding on all concerned departments."

- 2.21 Well Defined Query System: Many a times the Department/ Ministry raises queries on the shortcoming, observation, clarification or objection in the application form submitted by the applicant. The query should be raised on the portal itself. It should have clarity on what is being sought from the applicant. Such query should be auto intimated to applicant via email and SMS. There should be adequate space for submitting the response alongwith provision of uploading additional documents, if any. All queries from a department/ agency should be raised at once unless the query is arising from the response to earlier query. Clock stop/ start system should be followed in order to keep a track of timelines that are defined for the process. i.e., once a query is raised, the clock should stop, and it should start after the response to the query is received, so that the timelines are maintained at the ministry's end. The process of query raising, and resolution may be made available in the portal in the format as depicted in **Figure 2.1**.

Figure 2.1: Process of query raising & resolution

²⁰ <https://www.ghmc.gov.in/Documents/GO%20MS%20no%2050-ipass.pdf>



2.22 Tracking of application transparently: The portal should be capable of bifurcating the required relevant information collected through the application form and forwarding it to the concerned ministry/ department. The applicant should always be able to view the status of his application transparently. Generally, processes are divided into various stages of approvals. On completion of each stage, the actual date of completion should be highlighted. The timelines should be visible on the portal at each stage. Ambiguous message like ‘Application under process’ should be avoided. Enabling transparency in the entire process of the grant of permission is vital. Timelines may be shown as depicted in **Table 2.1** at each stage and each department, if more than one department is involved.

Table 2.1: Tracking an individual application

Department	Date of receipt of application	Expected Approval date	Actual Approval Date	Remarks
Department A				
Department B				

2.23 Status of number of applications: The single window portal should clearly display the total number of applications received subject wise (licence, registration, permission, clearance) status, out of which how many are pending, number of applications in process, against how many

applications queries are being raised, number of applications which are rejected and also the count of successfully accepted applications and for which licenses are issued to the applicants.

Table 2.2: Status of all applications received

Name of the license	No. of applications received	No. of applications pending (in days) (for example)					No. of applications - query raised	No. of applications rejected	No. of applications accepted
		1-7	8-15	16-21	22-28	>28			
License A									
License B									

Further if the application is pending, then the number of days for which it is pending should also be reflected on the portal. This count should be maintained by the portal automatically and displayed in the public domain. It would help to have the overall idea of the licenses/ registrations/ permissions etc. issued by concerned Ministry/ Department as depicted in **Table 2.2**.

2.24 Stakeholders' Enquiry System: The Authority is of the view that anyone willing to apply for a license/ approval should get answers to all their queries regarding the process, mechanism, policies, documents required at a single place in an efficient and time-bound manner. The Ministry/ Department should deploy an exclusive feature in the portal itself which may be termed as Stakeholders' Enquiry System. This facility should appropriately facilitate answering such licensing related and other queries from the existing and prospective service providers. There should be defined timeline to answer the query, based on the nature of the query, which may be defined by the Ministry/ Department. Simplified processes and steps should be mapped on online dashboard that should be made available on the DoT/ MIB website for all the national/ international investors. This facility should be enabled both on the portal and through designated officer(s) Desk off the portal. An enabling and facilitating approach towards investors is necessary for stimulating further growth.

2.25 Integration with the NSWS portal: The existing portals of the Ministries are required to be integrated with NSWS portal developed by DPIIT to explore, apply and get all the approvals required to start the business in India according to the business requirement. This will enable all approvals at one place.

2.26 **The Authority recommends that all the concerned Ministries/ Departments should adopt a user-friendly, transparent and responsive digital single window system. The portal should provide easy to navigate mechanism for access to all statutory/ policy guidelines, amendments, orders, office memorandums related to a license/ registration/ permission/ clearance. The portal should be enabled with new digital technologies for achieving end-to-end inter-departmental online process. In addition, the portal should incorporate the following features:**

- a. **All the processes to be duly incorporated in the portal for consideration and grant of:**
 - i. **Initial license/ registration/ permission / clearance;**
 - ii. **Test report (Approval/ Rejection/ Qualifications- if any);**
 - iii. **Renewal of license/ registration/ permission / clearance;**
 - iv. **Addition or modification to the license/ registration/ permission / clearance;**
 - v. **Assignment of resources including spectrum/ numbering resources etc.**
- b. **Process for submission/ acknowledgement of:**
 - i. **Electronic Bank Guarantee/ Security Deposit/ any other charges or deposits;**
 - ii. **Activities related to Merger & Acquisition;**
 - iii. **Signing of the License Agreement;**
 - iv. **Compliance/ reporting submission;**
 - v. **Issuance and compliance of:**
 1. **Show Cause Notice for any non-compliance, reply of the notice and decision thereof;**
 2. **All associated Notices and replies in relation to the above license/ registration/ permission / clearance;**
 - vi. **Request for Release of Bank Guarantee and Security Deposit and release thereof;**
 - vii. **Request for Surrender of license/ permission / registration.**
- c. **For each license/ registration/ permission/ clearance, distinct user manual and sample forms/ formats with duly filled in sample data.**
- d. **Drop-down menu driven forms with simple application formats seeking only the relevant information.**
- e. **Use of digital technologies like Digi-Locker agreements, contracts with digital signatures, block chain technology, cloud computing, integration with e-office, chatbot mechanism, virtual assistant, automated call centre, artificial intelligence-**

based tracking, analysis and response systems, analytics, reporting and Management Information System.

- f. Precise and well-published timelines in the in-built Citizen Charter as well as in the user manual of each process with strict adherence to such timelines. Citizen Charter to be an integral part of the portal. Provision of deemed approval to be applicable, wherever feasible.
- g. Facilitation of online payment of permission fee, registration fee, license fee, annual renewal fee and any other applicable fee and integration with all existing payment systems.
- h. Seamless integration with all other concerned ministries/ departments/ agencies to achieve 'Whole of the Government' approach.
- i. Queries related to shortcomings, observations or objection raised by the Ministry/ Department to be raised through the portal. Applicant to be prompted through automated mail/ SMS. The query and additional documents required, if any, also to be clearly mentioned. Submission of stakeholder response to the query on the portal itself. Queries to be raised in a time-bound manner. Clock start-clock stop mechanism to be applied while checking end-to-end processing time. All the queries/ observations to be raised together in one instance.
- j. Stakeholders' Enquiry System related to any license/ registration/ permission/ clearance and any other queries for both existing and prospective users with reply in time-bound manner, both on the portal and through designated officer(s) Desk off the portal.
- k. Any change in guidelines or process to be notified to the service providers in their logins and through email and SMS.
- l. The portal to automatically reflect the subject wise (licence/ registration/ permission/ clearance) status of number of applications received, pending applications, average pendency, applications in process, applications rejected, and licenses issued. Such information to be publicly available.
- m. Integration with the National Single Window System (NSWS) developed by Department for Promotion of Industry and Internal Trade (DPIIT).

A.2 Other important measures to reap the benefits of 'Single Window System'

- 2.27 Promoting self-certificate instead of Affidavits: Some of the extant guidelines still prescribe the requirement of submitting ‘affidavits’. For instance, the license agreement for Unified License²¹ states that the *quarterly payment shall be made with an affidavit as at Annexure-A of the respective chapter of service authorization together with a statement of revenue share and license fee separately for each service and service area*. Similarly, MIB prescribes an affidavit²² for continuity of broadcast by community radio station for more than ten years.
- 2.28 In this regard, the Second Administrative Reforms Commission in its 12th Report²³ titled "Citizen Centric Administration - The Heart of Governance", has recommended the adoption of self-certification provision for simplifying procedures. DAPRG has also issued a concept note²⁴ on rationalization of affidavits. The Department of Administration Reforms and Public Grievances has issued an O.M. on 10th May 2013²⁵, requested all the Ministries/ Departments and State/ UT Governments to review the existing requirements of attested copy or affidavit in various application forms in a phased manner and make provision for self-certification of documents, after obtaining the approval of competent authority. For ease of doing business, the Authority is of the view that affidavit/ attestation on stamp paper notarized by notary public, if still prescribed in any guidelines and/ or application formats should be abolished and replaced with self-certification of documents. This will save service providers from a lot of inconvenience. The purpose served by notarized stamp papers can also be achieved through declarations.
- 2.29 Implementing ‘prior intimation’ instead of ‘prior approval’: Almost every stakeholder has emphasized that the requirement of ‘prior approval’ should be replaced with ‘prior intimation’. The Authority has noticed that sometimes even for a trivial process, prior approval is required which doesn’t add any value addition to the process. For example, MIB has converted the ‘prior permission’ to ‘intimation’ for change of language and mode of transmission of TV channels through the Guidelines for Uplinking and Downlinking of TV channels, 2022. Similarly, in UL Agreement, the ‘prior permission’ for commencement of services permitted under the scope of license agreement is changed to ‘intimation’ to the licensor. The Authority is of the view that the Ministry/ Department should take up such exercise of filtering out the

²¹<https://dot.gov.in/sites/default/files/UL%20AGREEMENT%20with%20Audiotex%20M2M%20without%20INSAT%20MSSR%2017012022.pdf>

²²<https://mib.gov.in/sites/default/files/Affidavit%20Format.pdf>

²³<https://darpg.gov.in/sites/default/files/ccadmin12.pdf>

²⁴https://darpg.gov.in/sites/default/files/concept_note_0.pdf

²⁵https://darpg.gov.in/sites/default/files/om10052013_0.pdf

requirements and conditions where 'prior approval' can be replaced with 'prior intimation'.

2.30 The Authority recommends that:

- a. Affidavits prescribed in the extant guidelines and application formats, if any, should be abolished and replaced with self-certificates²⁶.**
- b. For an existing service provider, the requirement of getting 'prior approval'²⁷ should be replaced with 'prior intimation', wherever feasible.**

A.3 EoDB Committee

2.31 EoDB is an on-going activity and cannot be limited to single one-time approach in any sector. The processes need to be reviewed and evolved continuously. To achieve this, every Ministry/ Department should constitute a standing committee comprising of the following members:

- a. A senior level officer of Additional Secretary (AS)/ Joint Secretary (JS) level from the concerned Ministry/ Department
- b. Two officers from field/ regional offices
- c. Two members from among the service providers
- d. Two members from the industry associations

2.32 The members of the standing committee from service providers and the industry associations should be nominated on a rotational basis to cover all the services and processes, with each member having a specific tenure. The committee should periodically take inputs from all the stakeholders/ associations. The Ministry/ Department should decide the tenure of such members. The committee may co-opt other members too, as and when required.

2.33 The primary objective of the Committee should be to review the existing process and simplify them keeping in mind the evolving technologies, industry experience and international best practices. The Committee should examine the ongoing issues faced by the stakeholders and suggest measures to ensure ease of doing business in the sector. Further, the Committee should meet periodically, say once in every three months and discuss the issues to be brought to the notice of the Ministry/ Department. This Committee should make recommendations to the Government on the various issues concerning the stakeholders of

²⁶ For instance, UL states that the quarterly payment shall be made with an affidavit as at Annexure-A of the respective chapter of service authorization together with a statement of revenue share and license fee separately for each service and service area.

²⁷ For example, 'prior permission' is replaced with 'intimation' for:

- i. Change in mode and language of transmission of TV channels
- ii. For Commencement of any service permitted under the scope of UL agreement

the sector. These recommendations should be examined by the Ministry in a prescribed time frame and implemented accordingly.

2.34 In view of the above, **the Authority recommends that each Ministry and its department should establish an Ease of Doing Business (EoDB) Committee to regularly review, simplify and update the existing processes and to ensure ease of doing business in the sector as an on-going activity. The Committee should consist of the following officers:**

- a. **A senior level officer of Additional Secretary (AS)/ Joint Secretary (JS) level from the concerned Ministry/ Department**
- b. **Two officers from field/ regional offices**
- c. **Two members from among the service providers**
- d. **Two members from the industry associations**

The members of the standing committee from service providers and industry associations should be nominated on a rotational basis to cover all the services and processes, with each member having a specific tenure. The committee should periodically take inputs from all the stakeholders/ associations.

The logo of the Telecom Regulatory Authority of India (TRAI) is centered on the page. It features a stylized blue figure of a person with arms raised, holding a large blue arc above its head. Below this figure, the letters "TRAI" are written in a large, bold, blue, sans-serif font.

TRAI

CHAPTER III

GRANT OF PERMISSIONS BY MINISTRY OF INFORMATION AND BROADCASTING

- 3.1 Ministry of Information and Broadcasting (MIB) is the nodal ministry to issue broadcasting and cable services related license, permission and registration. The services include television (TV) broadcasters, FM broadcasters and the various Distribution Platform Operators (DPOs). These service providers are governed by different Guidelines/ Act issued by the Government. Broadly, MIB grants permissions for the various broadcasting services and the subsequent permissions to the existing service providers while serving the license, as per the following:
1. Permission for uplinking/ downlinking of TV Channels;
 2. Permission for setting up of uplinking Hub/ Teleport/ SNG/ DSNG;
 3. License to Direct-To-Home (DTH) operators;
 4. Permission to Headend-In-The-Sky (HITS) operators;
 5. Registration to Multi-System Operators (MSOs);
 6. Registration to Local Cable Operators (LCOs) (by Head Post Office);
 7. Permission for operating Internet Protocol Television (IPTV) services;
 8. Permission for setting up FM Radio Station and Community Radio Stations (CRS);
 9. Registration of Television Rating Points (TRP) Agencies;
 10. Permission for temporary uplinking;
 11. Permission for uplinking by the Indian News Agency;
 12. Renewal of existing permissions;
 13. Transfer of permission of television channels;
 14. Permission for change in name, language, genre, logo, format of television channels;
 15. Permission for change in the teleport, satellite of television channels;
 16. Permission for Merger/ De-Merger/ Amalgamation;
 17. Action for non-compliance/ breach of terms and conditions of the license;
 18. Surrender of license/ permission/ registration;
 19. Cancellation/ Revocation of license/ permission/ registration;
 20. Release of Bank Guarantees (BGs).
- 3.2 In addition to MIB, these permissions involve clearances from other ministries and departments. This *inter-alia* includes Ministry of Home Affairs (MHA) for security clearance, Department of Space (DOS) for clearance of satellite use, Wireless Planning and Coordination (WPC) for frequency assignment and National Operations and Control (NOCC) for network clearances. Further, there is requirement of net-worth verification by empaneled auditors of MIB for permission for uplinking

and downlinking of TV channels. Additionally, for downlinking permission, the application is forwarded to the Department of Revenue for verification to conclude agreements on advertising, subscription revenue and programme content between the applicant (downlinking) company and the channel owner (in case the two are different entities).

3.3 The Authority in the consultation paper has raised question one (Q1) seeking comments on whether the present system of grant of permissions/ licenses by MIB requires improvement for each permission separately from the perspective of easing out the existing processes. In response, a substantial number of comments have been received wherein the service providers and their associations have flagged various concerns. Stakeholders have also suggested the measures to resolve their concerns.

3.4 In the meantime, in pursuance of the Cabinet decision on 28th September 2022, MIB notified the ‘Guidelines for Uplinking and Downlinking of Satellite Television Channels in India, 2022’²⁸, hereinafter referred as ‘Uplinking Downlinking Guidelines, 2022’. The guidelines comprise many amendments in terms of EoDB. Some of the amendments are in line with the comments of stakeholders and analysis of the Authority. The uplinking and downlinking of TV channels were formerly administered by two separate guidelines namely, ‘Policy Guidelines for Uplinking of Television Channels 2011’ and ‘Policy Guidelines for Downlinking of Television Channels 2011’. The main advantages emanating from the revised consolidated guidelines are:

- a. Ease of compliance for the permission holder: Some of the permissions are replaced by prior intimations/ registrations.
- b. Ease of Doing Business: Specific timelines have been proposed for grant of permission.
- c. Simplification and Rationalization: One composite set of Guidelines has replaced two separate Guidelines.

3.5 The Authority appreciates the recent revisions/ amendments as these are expected to facilitate stakeholders. However, there are quite a few areas where further improvements can be undertaken and the processes can be made easy and streamlined. This chapter deals with such issues mentioned by the stakeholders, and TRAI analysis thereof.

A. Issues related to Broadcasting and TV Distribution

3.6 MIB launched the ‘BroadcastSeva’ portal couple of years back to make the permission process online, based on TRAI’s earlier EoDB recommendations. The portal enables the service providers to submit

²⁸<https://mib.gov.in/sites/default/files/Guidelines%20for%20Uplinking%20and%20Downlinking%20of%20Satellite%20Television%20Channels%20in%20India%2C%202022.pdf>

their applications online. However, certain documents were being submitted in hard copies, even after applying on the portal. Seeking hard copies results in doubling the efforts of the stakeholders.

- 3.7 On 4th April 2022²⁹, MIB launched the revamped new BroadcastSeva portal (<https://new.broadcastseva.gov.in/>) to provide digital solution for the applicants with more transparency and responsiveness, along with interface for agencies involved in applications processing. It is a welcome step towards easing the hassles of the service providers, which to an extent has reduced the submission of hard copies. However, stakeholders are still facing operational issues and their user experience is not seamless.

A.1 Timelines for broadcasting/ distribution related approvals by MIB

Comments of the Stakeholders

- 3.8 Stakeholders have submitted that for broadcasting and distribution, applications timelines should be clearly defined to avoid delay in straightforward applications. As per them, a reasonable 15-day period is sufficient for approval. This would enable 90% of the applications to be approved in a time-bound manner. In case of specific shortcoming, MIB could issue a statement of objection. However, such objections should not be routine ways to handle applications. Many stakeholders have suggested to incorporate online tracking feature on BroadcastSeva portal to enable users to view the status of their applications on real-time basis.

Analysis of the issue and views of the Authority

- 3.9 The Authority has noted that ‘Uplinking Downlinking Guidelines, 2022’ has specified timelines for each stage of permissions for TV channels as mentioned in **Table 3.1**.

Table 3.1: Timelines prescribed in the ‘Uplinking Downlinking Guidelines, 2022’

S. No	Permission		Time prescribed	Remarks	
1.	Permission for uplinking of TV channels and teleports	MIB issues LoI	30 days	After clearance and approval of MHA and other authorities	
		Applicant makes payment of permission fees, security deposit and furnishes Performance Bank Guarantee (PBG)			
		MIB grants permission	15 days	Post receipt of such payment and furnishing of the PBG	

²⁹ <https://static.pib.gov.in/WriteReadData/specificdocs/documents/2022/apr/doc20224535401.pdf>

2.	MIB grants permission for downlinking of TV channels	30 days	After clearance and approval of MHA and other authorities
3.	Permission for news agency	1 month	After clearance and approval of MHA and other authorities
4.	Permission for purchase and hiring of DSNG/SNG equipment	15 days	From receipt of application
5.	Permission for change of name and logo of a TV Channel	15 days	From receipt of application
6.	Permission for change of satellite/teleport	15 days	After receiving clearance to the proposed change from DOS

3.10 Since specific timelines for each stage have been prescribed, it is expected that such timelines will be adhered to in letter and spirit. It is observed that the Citizen Charter is yet to be amended to align with above timelines.

3.11 MIB also issues permissions to a number of other services as already listed in para no. 3.1. The timelines as notified vide the Citizen Charter are quite general (see **Table 3.2**). Moreover, even though these timelines are quite longer, stakeholders' comments reflect that these timelines are not adhered to in most of the cases.

Table 3.2: Extract of Citizen Charter depicting timelines for MIB³⁰

S. No	Services/ Transaction	Success indicators	Service standards
1.	Issue of license for providing DTH services to prospective licensee	Time taken for issue of license from the date of receipt of security clearance from MHA in respect of complete applications. The Ministry will forward the applications, within the time of two months, after the receipt of the completed applications, to the concerned Ministries/Departments for necessary clearances.	4 months
2.	Issue of Registration to Multi System Operators	Time taken for issue of registration from the date of receipt of security clearance from MHA in respect of complete applications.	2 months

³⁰ <https://mib.gov.in/sites/default/files/CITIZEN%27S%20CHARTER%20FINAL%20.pdf>

		The Ministry will forward the applications, within the time frame of two months, after the receipt of the completed applications, to the concerned Ministries/Departments for necessary clearances.	
3.	Issue of license for providing HITS services to prospective licensee	Time taken for issue of permission from the date of receipt of clearance from MHA in respect of application complete in all respect and applicant can commence uplinking/downlinking operations within a year from the date of issuance of SACFA clearance from WPC.	4 months

3.12 It is an established fact that existence of an online portal integrated with concerned ministries and e-Governance portals like e-Office, payment gateways etc. enables reduced timelines and is an easy target to achieve. Faster approval process generates more opportunities to the country, boosts investor's confidence, and facilitates sustainable growth.

3.13 Vide **Table 3.2**, it can be seen that MIB prescribes a timeline of 4 months (say for issuing DTH license) from the date of receipt of security clearance from MHA in respect of complete applications. This time period of 4 months is too long with the presence of online portal. Thus, the Authority suggests that MIB should reduce the timelines for each stage as deemed appropriate and correspondingly update the citizen charter.

3.14 Further, the Authority is of the opinion that mentioning timelines in the respective guidelines in addition to citizen charter will further facilitate EoDB. Thus, the reduced timelines should also be made part of other guidelines notified by MIB, in the same way as has been done for 'Uplinking Downlinking Guidelines, 2022'. Such permissions include DTH, MSOs, CRS, FM, HITS, IPTV and others, if any.

i. Transfer of permission of TV channels

Comments of the Stakeholders

3.15 The stakeholders have commented that companies often restructure to enhance their operational efficiency by the way of undertaking mergers, demergers or amalgamations. They suggested that uplinking and downlinking guidelines should be aligned with the relevant provisions of the Companies Act, 2013. To bring about such alignment and improve EoDB, the following are suggested:

- a. If both the transferor and transferee hold permission for uplinking a TV channel, the Ministry should grant permission for transfer of permission held by the transferor company to the transferee company within 30-day period set forth under section 230 of the Companies Act, 2013, subject to the net worth criteria being met by the transferee company post approval of the amalgamation, merger or demerger.
- b. In case of a transfer of a business or undertaking (in whole or in part) by way of a slump sale or an asset transfer, if both the transferor and the transferee hold permissions for uplinking a TV channel, the Ministry should grant approval within a stipulated period of 15/30 days subject to the transferee company meeting the net worth criteria.
- c. In cases where the transferee company has not obtained permission for uplinking a TV channel, the relevant ministry/ department(s) should make their representation on any proposals for merger, demerger, etc. within the time stipulated under the provisions of Section 230 of the Companies Act, 2013. In case no representations are made within the stipulated time, it should be presumed that approval has been granted (subject to security clearance and net worth criteria being met).

3.16 Some stakeholders have also submitted that transfer of television channel permission from company 'A' to company 'B' should be allowed through mere intimation if company 'B' is already security cleared for operating in the same category of television channels, subject to an undertaking from company 'B' that it will fulfil all necessary criterion. Stakeholders have also requested that, acquisition via National Company Law Tribunal (NCLT) sanctioned mergers or demergers should not require further permission from MIB, as long as the resultant or transferee company is already a licensee under the existing guidelines.

Analysis of the issue and views of the Authority

3.17 Regarding the permission for transfer of channels, the Authority is of the view that there are notable potential benefits of restructuring (merger, demerger, or amalgamation) of companies. Enhancement of operational efficiency by exploiting economies of scale, possible tax advantages to the reorganized firm, possibility of elimination of weaker firms from the industry to name a few. However, this restructuring may also lead to oligopoly/ monopoly market conditions and affect plurality of views. Thus, the Authority is of the view that involvement of the Government to permit such transfers/ restructuring becomes vital.

3.18 As regards the suggestion that intimation is sufficient instead of prior-approval and acquisition via NCLT and sanctioned mergers don't need

permission from MIB, the Authority disagrees. While transfer/ merger of companies are approved by NCLT, transfer/ merger of broadcasting license can take its effect only after the prior approval of the Licensor (MIB). Therefore, the Authority is of the view that the prior approval from the Ministry is mandatory for merger/ demerger/ amalgamation.

3.19 The Authority has noticed that according to the clause 32 of 'Uplinking Downlinking Guidelines, 2022', the possibility of allowing transfer of TV channel/ teleport to a company/ LLP as permissible under the Companies Act/ Limited Liability Act has been broadened. However, timelines are still not prescribed for the prior permission. It has been seen from MIB portal that application for Merger/ De-merger/ Amalgamation is already available online. The focus should be on decision making in a time-bound manner. Ensuring a smoother, time-bound and efficient way of transfer of licenses is essential.

3.20 Moreover, in addition to grant permissions for commencing a service, MIB also provides many other permissions for additions/ modifications in the existing license. Some of the additional permissions as listed in para no. 3.1 are reproduced below:

- Renewal of existing permissions
- Transfer of permission of television channels
- Permission for change in name, language, genre, logo, format of television channels
- Permission for change in the teleport, satellite of television channels
- Permission for Merger/ De-Merger/ Amalgamation
- Surrender of license/ permission/ registration
- Cancellation/ Revocation of license/ permission/ registration
- Release of Bank Guarantees (BGs)

3.21 The Authority is of the view that prescribing timelines for all the permissions while doing business is also an important characteristic of EoDB. The Authority notably appreciates that MIB has mentioned timelines for some of such permissions for modifications in the permissions in 'Uplinking, Downlinking Guidelines, 2022'. MIB has defined timelines (see **Table 3.1**) for permission for change in name/logo of a channel and for change in satellite/teleport. In the same way, MIB should prescribe timelines for the remaining permissions for additions/modifications during the entirety of a permission period. All these timelines should be mentioned in the respective Guidelines as well as the Citizen Charter/ BroadcastSeva portal of MIB.

3.22 Accordingly, **the Authority recommends that:**

- a. MIB should specify stage-wise timelines for the process of grant of each license/ registration/ permission in a similar manner as**

has been done for Uplinking and Downlinking permission for TV channels.

b. MIB should also prescribe timelines for additional permissions/ approvals required during the operating lifecycle of any service provider.

c. All the timelines should be mentioned in the respective Guidelines as well as the Citizen Charter/ BroadcastSeva portal.

A.2 Grant of Infrastructure Status to Broadcasting and Cable Distribution Sector

Comments of the Stakeholders

3.23 A service provider of cable distribution sector commented that many MSOs who are providing broadband services through their subsidiaries/affiliates have a valid ISP license too. In addition, large number of LCOs lay down their network for providing last mile connectivity which establishes that MSOs have formidable capacity to reach each household in the country. Cable TV networks have a greater reach to cater to the entertainment and information needs and growing demand of broadband services. In view of this, they have requested that distribution networks of MSOs and LCOs should be recognized and granted 'Infrastructure Status'.

3.24 They commented that there are a number of benefits including reductions in interest rates for long term borrowings, tax holiday as per 80-1A of Income Tax Act, exemption from paying custom duties on infrastructure used for provisioning of broadband and cable TV services. This will provide impetus to indigenous manufacturing of infrastructure at comparable prices. Thus, grant of infrastructure status to the sector will not only help in proliferation of broadband and cable TV services, but will also aid EoDB.

Analysis of the issue and views of the Authority

3.25 The Authority has noted that this industry is pursuing for the grant of 'Infrastructure Status' to the sector since long. The sector being technology intensive, industry stakeholders continuously invest in newer technologies. Service providers need capital for upgrading the existing infrastructure. Grant of 'Infrastructure Status' will enable the industry to raise capital from Non-Banking Finance Companies, Insurance Companies, Pension funds and India Infrastructure Financing Company Limited (IIFCL).

3.26 In this regard, it may be recalled that this issue had also come up before the Standing Committee on IT. The Committee in its 56th report³¹

³¹https://eparlib.nic.in/bitstream/123456789/783389/1/16_Information_Technology_56.pdf

presented to Lok-Sabha on 2nd January 2019 impressed upon the MIB to submit a revised proposal expeditiously to the Department of Economic Affairs in the interest of the industry and to make concerted effort for granting infrastructure status to TV broadcasting industry. TRAI has also sent a D.O. letter no. 12-15/2020-B&CS dated 20th May 2020 to MIB to which MIB has replied vide letter no. 2/11/2020-BP&L dated 17th June 2020, that a proposal in this regard has already been forwarded to the Department of Economic Affairs. Given the importance of Cable Services sector in expanding television services as-well-as Broadband services the Government may consider and grant 'Infrastructure Status' to 'Broadcasting and Cable Services Sector'. This policy intervention will help the sector in a great way and will provide ease of doing business to the service providers.

- 3.27 In view of the above, **the Authority recommends that given the importance of Cable Services sector in expanding television services as-well-as Broadband services, the Government may consider and grant 'Infrastructure Status' to 'Broadcasting and Cable Services Sector'.**

A.3 Establishment of Center of excellence for broadcasting services

- 3.28 The Authority in its recommendations on 'Ease of Doing Business in Broadcasting Sector' dated 26th February 2018 has recommended that *the Government should contemplate for creating a Centre of Excellence exclusively for broadcasting services. This center should study technical, economic, and social aspects of broadcasting ecosystem.* Since then, the sector has undergone several emerging technological, economic and social developments such as Metaverse, 5G broadcasting, multiple screens same content and automated journalism. In light of this, the need for creating such a center has become more critical to understand the emerging trends and keep pace with the upcoming technologies. The center should identify ways in which the latest technologies can be incorporated in the existing architecture and distribution to enhance the user experience. Despite the MIB accepting these recommendations five years ago, they are yet to be implemented. With the rapid convergence amongst the services and the devices ecosystem, the Authority is of the view that Government should establish Centre of Excellence or align with the Centre of Excellence established by other ministries/ department (e.g. Telecom Center of Excellence). Therefore, the Authority re-iterates its recommendations taking into account the convergence of telecom and broadcasting services.

- 3.29 In view of the above, **the Authority reiterates that Government should establish Centre of Excellence or align with Centre of Excellence established by other ministries/ department (e.g.,**

Telecom Center of Excellence) to study technical, economic, social and legal aspects of broadcasting services.

A.4 Issues related to MHA Security Clearance

- 3.30 Once an applicant applies to MIB for getting permission and if found eligible, its application is forwarded by MIB for security clearance to MHA. MHA security clearance is required for permissions for TV channels, teleport, DTH, HITS operators, MSO, FM Radio and CRS. The security clearance is obtained for Board of Directors as well as key executives of the company such as Chief Executive Officer (CEO), Chief Financial Officer (CFO), Chairman, Managing Director (MD), etc.
- 3.31 The security clearance conveyed by MHA in respect of an entity or its Director is valid for a period of 10 years from the date of initial grant of security clearance or the period of license/ permission, whichever is earlier. It also remains valid for other proposals within the different sectors of the same ministry.

Comments of the Stakeholders

- 3.32 Stakeholders, especially of the broadcasting sector have commented that there is no specific timeline prescribed for MHA security clearance. It takes time varying from a few months in some case to even a year in extreme case.
- 3.33 Some of the stakeholders suggested that requirement for obtaining security clearance should be done away with for existing broadcasters applying for new channels/ renewals. A one-time clearance given to the broadcaster coupled with clearance of its key executives should be sufficient, provided the broadcaster has undertaken no change of ownership. They have further commented that requirement of obtaining prior approval of MHA in case of appointment of Director overlaps with the compliance requirement under Companies Act and therefore should be deleted.
- 3.34 They have also submitted that the 'prior approval' of change in directorship should be replaced with 'prior intimation only', so that the company can appoint the new Director with immediate effect. If the security clearance is denied, change in directorship can stand cancelled.
- 3.35 One stakeholder has suggested a process where MHA should maintain a database of security cleared Directors. One stakeholder has said that MHA approval needs to be completed in one or maximum two days in the era of Digital India by making it Aadhaar based.

Analysis of the issue and views of the Authority

- 3.36 The issues related to MHA clearance were also raised during the earlier consultation process. The Authority has recognized the importance of security clearance considering the sensitivity of media and its

repercussions on national security. As per MHA, Information & Broadcasting is one of the sensitive sectors and the proposals emanating from MIB needs security clearance. However, the Authority is of the view that it is also necessary to ensure an optimal balance between the requirements of national security and imperatives of business. Streamlining the process for grant of security clearance is important to draw decisions in a time-bound manner.

- 3.37 The Authority in its previous recommendations on 'Ease of Doing Business in Broadcasting Sector' dated 26th February 2018 has recommended that *'Initially, MHA should take the decision on security clearance to an applicant company and its key personnel within a period of 60 days. Also, in case of any change in key personnel, MHA should take the decision within a period of 60 days. The Government in any case deserve the right to withdraw security clearance at any point of time. The Authority has also recommended that in cases where an existing broadcasting company, having valid security clearance, is seeking permissions for additional satellite TV channels, the process of seeking fresh security clearance from MHA should be done away with.'*
- 3.38 The Ministry has considered the above-mentioned recommendations, and in its back-reference with respect to the issue of MHA security clearance has stated that *'The security clearances are issued by MHA as per their own Guidelines'*.
- 3.39 Further, it has been observed that currently the procedure of seeking security clearance for additional channels of an existing broadcaster having same set of Directors/ key personnel has now been done away with, if the broadcasting company has a valid permission. However, there is a need to have unambiguous guidelines/ notification from MIB on this matter.
- 3.40 It is informed that in case of uplinking and downlinking permission of TV channels, MHA security clearance is needed in the following cases:
- At the time of initial application for a new broadcasting company
 - Whenever the shareholding pattern changes to the extent that a new shareholder has more than 10% of the shareholding
 - At the time of application of renewal of the channel/ teleport/ news agency permission after 10 years
 - Change of category of the channel from 'Non-News & Current Affairs' to 'News & Current Affairs'
 - Whenever there is a change proposed to be made in Director/ CEO/ Key executive
 - At the time of application for transfer of a channel/ teleport
- 3.41 Hence from the above, it becomes evident that security clearance is required frequently. The 'Uplinking Downlinking Guidelines, 2022'

mentions that security clearance is needed in the case of change of channel category and in the case of appointment of new CEO/ Director. Regarding the timelines, it has been observed that even though the MIB portal is integrated with MHA, the communication between the ministries as well as within MHA is mostly offline. The Authority understands that security clearance is a sensitive issue to ensure national security, territorial integrity and sovereignty of the country and its citizens. However, it becomes essential to make the process completely online and time-bound for EoDB.

3.42 In certain unpredictable cases, for example, resignation of Director or death of a Director, a new Director has to be appointed at the earliest. The said Companies also have to comply with the regulations laid down by other Authorities like Securities and Exchange Board of India (SEBI) or laws like the Companies Act, 2013. For example, as per section 149 of the Companies Act, 2013³², a public company should have a minimum number of 3 Directors, 2 Directors for a private company, 1 Director in case of One Person Company. In such cases, MIB provides an interim approval on case-to-case basis invariably stating that the approval is subject to MHA clearance.

3.43 However, the clause 28.3 of the 'Uplinking Downlinking Guidelines, 2022' for appointment of new Chief Executive Officer/ Director states that:

Appointment of a new Chief Executive Officer/Director — (1) *A company/LLP having permission under these Guidelines shall not appoint a new person as a Chief Executive Officer (by whatever name called), Director or Designated Partner, without prior approval of the Ministry.*

Provided that in case of a company having only two Directors or of a LLP having only two Designated Partners, the new Director or Designated partner may be appointed, and intimation sent to the Ministry along with all details required for security clearance by the Ministry of Home Affairs (MHA) within 15 days of such appointment, under the condition that in the event that security clearance is denied by MHA, such person shall be removed forthwith from the post of Director or Designated partner, as the case may be, by the permission holder.

(2) For the purpose of appointing a person as a Chief Executive Officer or Director/Designated Partner, the company/LLP shall furnish all relevant details to the Ministry for enabling it to seek security clearance from the Ministry of Home Affairs.

³² <https://www.mca.gov.in/Ministry/pdf/CompaniesAct2013.pdf>

(3) The Ministry of Information and Broadcasting shall convey its permission to the company/LLP, preferably within 7 days of receiving clearance from the Ministry of Home Affairs, and upon such conveyance, the person may be appointed as Chief Executive Officer or, Director/Designated Partner.

Provided that where the Ministry of Home Affairs denies security clearance, such person shall not be appointed as a Chief Executive officer or Director/ Designated Partner.

- 3.44 MIB has provided the provision of intimation to MIB subject to security clearance from MHA in certain cases. However, the Authority is of the view that MIB should have clear-cut guidelines for all cases which require MHA approval. To settle uncertainties and to enable MHA approval in-time, appropriate measures should be followed by the administrative ministry. MIB in close coordination with MHA should make the process transparent and remove the subjectivity.
- 3.45 The Authority is of the view that there should be explicit guidelines available on the website of MIB, detailing out the cases where the companies require security clearance, documents to be submitted and timelines for the clearance for Indian and foreign nationals.
- 3.46 Another matter of concern is service provider changing their Directors and other key executives without informing the Ministry. The Authority suggests that an oversight mechanism should be there to ensure the compliance of such requirements. In fact, a penal provision should be devised for the non-compliant companies. To tackle these non-compliances, Ministry may consider introducing a provision of submitting standard undertaking by service provider to MIB annually, regarding the change/ no change in the management control or ownership pattern of the company. The Authority is of the view that MIB should prescribe a format that contains undertaking from the service provider which is due and binding.
- 3.47 For reducing the timeline, MHA should communicate with all its field units and obtain the inputs online from the concerned agencies required for the security clearance. This would result in efficient and fast disposal of applications. The Authority is of the view that with the presence of Aadhaar based authentication and single window portal, security clearance should be carried out in minimal time.
- 3.48 In view of the above, **the Authority recommends that:**
- a. For seeking MHA security clearance, MIB should issue explicit guidelines. The process of security clearance of an applicant company and its key personnel should be made end-to-end**

online. MIB in close coordination with MHA should provide transparent timelines.

- b. For ensuring compliance, MIB may prescribe a standard undertaking to be submitted by each service provider on annual basis. Such undertaking should certify that either no change in Management Control/ Ownership control has happened during the year or that the changes in the management/ ownership structure have been submitted and requisite permission has been duly received (as applicable).**

A.5 Issues in submitting periodic compliance

Comments of the stakeholders

- 3.49 DTH operators have submitted that they are required to file multiple (pre-defined) periodic as well as incidental filings (including reports) to MIB, mostly, in physical form. Also, post the payment of License Fee, the DTH operator is required to submit Form-D and the intimation of payment of License Fee to the Ministry. The Form D and other documents required in the physical format may be attached in a fresh window post payment of the License Fee.
- 3.50 The stakeholders are of the view that lately, Prasar Bharti has been seeking information on behalf of MIB, which is already part of the Monthly and Quarterly Performance Monitoring Report submitted to TRAI. They have suggested that a centralized portal should be devised for submission of such reports and till such time, the concerned department of the Ministry may directly co-ordinate with TRAI for fetching such data.
- 3.51 An MSO has submitted that they are required to provide a compliance report every month for carrying the mandatory channels of Government on their platform along with their Logical Channel Numbers (LCNs) through email. Further, MSOs have been provided a login on the Digital India MIB portal, wherein they have to feed their Set Top Box (STB) seeding data every week. The stakeholder suggested the compliance of weekly STB seeding data should be made on monthly basis.
- 3.52 Presently, all the teleport operators are required to furnish the detailed list of TV channels being uplinked from their teleport by the 15th of every month. Similarly, a report maintaining a record of the location and the events which have been covered and uplinked by SNG/ DSNG terminals and downlinked at their main satellite earth station is required to be submitted by the commercial DSNG operators before MHA/ MIB.
- 3.53 The stakeholders demanded that all the above-mentioned process and the other requirements should be incorporated in the portal.

Analysis of the issue

- 3.54 The Authority believes that implementing an online permission process is crucial, but it's equally important to allow for periodic filings to be submitted online. To achieve this, a reporting module should be integrated with the single window portal, or at least function as an extension of it. Companies should be provided with login credentials for a service provider, and the ability to create sub-logins within their organization.
- 3.55 To ensure the accuracy of the information provided, the portal should have checks and balances in place to prevent overlapping fields in different reporting requirements. As already detailed in Chapter II and in the first recommendation, it's necessary for compliance requirements to be submitted through the single window portal. By improving the functionality of the portal, we can streamline the reporting process and ensure compliance with regulatory requirements. The frequency of the reporting requirement should also be reviewed from time-to-time by MIB, based upon MIB's requirement and vast experience.

B. Issues with respect to satellite TV channels/ Teleport and related permissions

B.1 Examination of applications of TV channels by empaneled CA and Department of Revenue

- 3.56 MIB forwards applications to empaneled CAs for verification of net-worth. MIB also forwards the applications for downlinking of TV channels to the Department of Revenue for the compliance of the clause 10 (iii) [erstwhile clauses 1.3 and 1.4] of 'Uplinking Downlinking Guidelines, 2022': *'It must either own the channel, or must enjoy, for the territory of India, exclusive marketing/distribution rights for the same, inclusive of the rights to the advertising and subscription revenues for the channel and must submit proof at the time of application.'*
- 3.57 The stakeholders have requested to remove both these requirements. In this context, the Authority in its recommendations on 'Ease of Doing Business in Broadcasting Sector' dated 26th July 2018 has recommended that:
- a. *A self-declaration, in a prescribed format, stating that the applicant company meets net-worth requirements, as specified under the policy guidelines, should be taken from the applicant company at the time of submitting the application. This declaration should be supported with duly audited financial statements of the company.*
 - b. *The requirement of examining net worth, ownership details, shareholding pattern and its effect on net worth etc., by the empanelled CA should be done away with.*

- c. *A self-declaration, in a prescribed format, stating that the applicant company complies with clause 1.3 and 1.4 of the downlinking policy guidelines should be taken from the applicant company at the time of submitting the application.*
- d. *The requirement of examining the compliance of clause 1.3 and 1.4 of the downlinking policy guidelines by Department of Revenue (DoR) should be done away with.*

3.58 MIB in its back reference has communicated that:

- *(a) & (b) The purpose of prescribing a minimum net-worth for companies to run news or non-news channels is to ensure that the entity is financially strong enough to be able to express its views/news/creative content free from the external pressure. Therefore, a correct assessment of the net-worth of the entity is necessary. MIB now relies on the latest declaration made by the entity in the Ministry of Corporate Affairs' MCA 21 Portal as per the provisions of the Companies Act. Further, for news channels, as per extant guidelines, MIB needs to ensure that 51% single Indian ownership is maintained. It is also necessary to ensure that FDI ownership limits are followed. Further companies have given incorrect/inflated information about their net-worth. Therefore, expert examination by Chartered Accountant is required. Recommendations at 4.5 (a) & (b) are not accepted.*
- *(c) & (d) As per clause 1.3 and 1.4 of the downlinking guidelines, the applications for downlinking are forward to DoR which in turn examines whether the agreement between the applicant (downlinking) company and the channel owner (in case the two are different entities) contains suitable stipulation to enable the applicant to conclude agreements on advertising, subscription revenue and programme content. This is done to ensure that the applicant company duly falls in the taxation framework and that there is no tax evasion.*

3.59 The purpose of the Ease of Doing Business exercise is to identify the source of authenticated information and to avoid duplicate processes. When an applicant submits any statutory compliance with any government/ agency then the same document should suffice without necessitating a re-verification. The process of verifying applicant's net worth through MIB's empaneled CA creates unnecessary impeding elements in the entire process. The information furnished by the applicant company is already certified by the auditors (CA) of the company. The duplication of efforts and hence the delay should be avoided. The MIB portal should itself fetch the authenticated information from MCA 21 portal and verify it. Accordingly, the Authority is of the view that MIB may again re-examine this requirement.

3.60 Similarly, the Department of Revenue does not have any additional source of information, apart from the documents submitted by the company alongwith the application, to check the compliance of the clause 10(iii) of Uplinking Downlinking Guidelines, 2022. Whether the applicant company has exclusive rights or not, can be deduced from the available documents by MIB also, as it does not require any specialized knowledge of finance or taxation. The Authority is of the view that forwarding applications to other departments to verify the correctness of an application reflects the tendency of not taking ownership of the application verification process. This unnecessarily adds to the time in the approval. Further, the Department of Revenue has no incentive of doing this work of MIB. Thus, the Authority is of the view that the compliance of the above-mentioned clause should be checked by MIB itself while scrutinizing the application. Accordingly, the Authority is of the view that MIB may again re-examine to remove this requirement. MIB may rely upon the documents available in Statutory filings like Income Tax, MCA21 portal etc. Such documents should be digitally signed by the Statutory Auditors. If needed, a self-declaration as prescribed by MIB in the desired format may be sought from the companies stating compliance for the above said clauses.

3.61 **Accordingly, the Authority reiterates to examine and remove:**

- a. ***the requirement of examining net worth, ownership details, shareholding pattern and its effect on net worth etc. for companies to run news or non-news channels, by the empaneled CA of MIB.***
- b. ***the requirement of examining the compliance of clause 10 (iii) of the 'Uplinking Downlinking Guidelines, 2022' (erstwhile clause 1.3 and 1.4 of the downlinking policy guidelines) by the Department of Revenue.***

The Authority recommends that MIB should rely upon the documents available in Statutory filings like Income Tax, MCA21 portal having compliances to the Companies Act for verification of para a and b above.

B.2 Renewal of permission for satellite TV channel

3.62 The 'Uplinking Downlinking Guidelines, 2022' mandates that the permission is subject to the permission holder paying the annual permission fees, along with interest for late payment, for the time period for which permission is granted. It also states that *the due date for the succeeding year's permission fee would be one year from the date of operationalization of the Teleport/TV Channel and would have to be deposited 60 days before such fee becomes due.* The annual permission fee stipulated for each permission is mentioned at **Table 3.3.**

Table 3.3: Annual Permission Fee

S. No	Type of Permission	Annual Permission Fee
1.	Teleport	Rs. Two lakh (~USD 2.4 thousand) per teleport
2.	Uplinking of TV channel	Rs. Two lakh (~USD 2.4 thousand) per channel
3.	Downlinking of TV Channel from India	Rs. Five lakh (~USD 6.1 thousand) per channel
4.	Downlinking of TV Channel outside India	Rs. Fifteen lakh (~USD 18 thousand) per channel
5.	Uplinking of a foreign channel from Indian Teleport	Rs. Two lakh (~USD 2.4 thousand) per channel

Comments of the Stakeholders

- 3.63 Several associations and service providers of broadcasting sector are of the opinion that annual renewal process for satellite TV channels needs simplification. They suggested that it would be appropriate if annual renewal fee for 10 years can be made payable at a single go, while issuing fresh licenses.

Analysis of the issue and views of the Authority

- 3.64 According to the guidelines, permission for TV channels and teleports is granted for a period of 10 years. However, the guidelines also mandate that the permission holder should pay an annual permission fee for every channel.

- 3.65 This issue was already raised in the previous consultation of EoDB. In recommendations of ‘Ease of Doing Business in Broadcasting Sector’ dated 26th February 2018 the following was recommended:

“Payment of annual permission fee as per the extant policy guidelines should be done through proposed integrated online portal. The periodicity of the renewal of licenses should continue to be on annual basis”.

- 3.66 In line with TRAI recommendations, the procedure of annual permission has now been incorporated online in the portal. Moreover, MIB has simplified the process of annual permission of TV channels by doing away with the annual renewal of permission. Payment of annual permission fee 60 days prior to the due date through BharatKosh and an intimation to MIB about the payment is sufficient. Although the renewal process is now made easier with the online payment facility, this process can be further simplified.

- 3.67 The stakeholders have brought to the notice of the Authority the reason for which the process of annual renewal permission is considered

tedious. One has to observe that a broadcaster holds uplinking and downlinking permission for more than one TV channel and apparently the date of permission for each channel differs. Say a broadcaster has uplinking and downlinking permission for 'x' channels, then the broadcaster has to keep track of due date of annual fee of all such 'x' channels throughout a year and pay the renewal fee accordingly.

- 3.68 Nevertheless, the Authority disagrees with the suggestion that broadcasters should mandatorily pay the annual renewal permission in a single go for 10 years. The Authority is of the view that this would become a drawback to the emerging broadcasters or the broadcasters owning one or few channels, where they have to pay the permission fee for the next 10 years. This results in blocking of money.
- 3.69 One way in which this issue can be addressed is by providing an option to the broadcaster to pay annual permission fee for their TV channels either for one year or more than one year. The portal should provide such option to the broadcasters to make payment of permission fee. This would provide flexibility to broadcasters to decide the periodicity for annual fees in accordance with their financial conditions and business plans. Now that the process is online, adding this option in the portal is quite simple. However, it may be clarified that no refund of the annual fee paid in advance by the broadcaster may be permitted in any case, including cancellation of the permission. MIB should amend the uplinking downlinking guidelines accordingly.
- 3.70 Accordingly, **the Authority recommends that the online portal should provide an option to broadcasters/ teleport operators to make payment of the annual permission fee either for one year or more than one year. No refund of the annual fee paid in advance by the broadcaster may be permitted in any case. MIB should amend the uplinking downlinking guidelines accordingly.**

B.3 TV Operationalization period

- 3.71 The clause 1.5.1 of the Policy Guidelines for Uplinking of Television Channels from India-2011 stated that:

“The applicant company shall operationalize the teleport within one year from the date the permission is granted by the Ministry of Information and Broadcasting.”

- 3.72 Accordingly, the applicant company shall operationalize the permitted TV channel within one year from the date of the permission. After being held eligible, the applicant needs to furnish a Bank Guarantee (BG) for Rs. 2 crore (~USD 2.4 thousand) for each News and Current Affairs TV channel, Rs. 1 crore (~USD 1.2 thousand) for each Non-News and Current Affairs TV channel and Rs. 25 lakh (~USD 31 thousand) for each teleport before the issuance of permission. If the channel/ teleport is not

operationalized even after one year, the permission shall be cancelled, and the BG gets forfeited.

Comments of the Stakeholders

- 3.73 Some stakeholders submitted that the forfeiture of bank guarantees incurs huge financial losses to broadcasters due to the failure of launching the TV channel as projected. On the other hand, the permission granted is also cancelled, which leads a double whammy to the broadcasters. Keeping this in view, they have requested that the window to operationalize a TV channel from the time of obtaining MIB's permission should be increased from one year to at least two years. One of them has suggested that it should be increased to three years. Another stakeholder commented that a six month extension should be granted to the broadcasters instead of forfeiting BG.

Analysis of the issue and views of the Authority

- 3.74 The Authority is of the view that a period of one year is sufficient for the service provider to commence their business, however, it should be counted after grant of requisite clearances/ permission by MIB, WPC and NOCC and not only from MIB. It is the service provider's responsibility to commence the business they have got license for, within stipulated one year.
- 3.75 MIB has already taken up this issue while formulating the 'Uplinking Downlinking Guidelines, 2022'. Accordingly, the clause pertaining to roll out obligation and operationalization is changed to:

"The company/LLP shall operationalize the permitted TV channel within one year from the date of obtaining all necessary clearances from WPC and NOCC."

This clause is also applicable for teleport permission. These change in the clauses are in line with TRAI's analysis.

B.4 Temporary uplinking of live coverage of events

- 3.76 The use of SNG/ DSNG is permitted to 'News and Current Affairs' channels uplinked from India for live news/ footage collection. TV channel permitted under the 'Non-News and Current Affairs' category can also uplink an event live by applying for temporary uplinking.
- 3.77 Sports channels are treated as 'Non-News and Current Affairs' channels. They were required to seek temporary permission for live uplinking since sports broadcast business is primarily based upon making available live sports events. It may be noted that the application for getting permission for the temporary uplinking is already incorporated in the revamped online portal.

- i. Short term/ temporary license for temporary uplinking

Comments of the Stakeholders

- 3.78 Many stakeholders have suggested that MIB should consider permitting issuance of short term/ temporary channel licenses to sports channels enabling them to uplink their channel from any location in India at any point of time instead of getting permission for each time an event has to be uplinked.
- 3.79 They demanded that a separate permission should be issued for sports channels. They should be allowed to uplink from any location in India, at any point of time, without seeking individual permissions for every single match and venue. This would bring them at par with the “News and Current Affairs channels” as both are engaged primarily in live broadcasts. Sports broadcasters should be allowed to broadcast live sporting events by way of a self-declaration stating that it will only uplink live sporting events and no news or news related content shall be carried on such feed.
- 3.80 Further, some broadcasters and associations suggested that the period of 15 days prescribed for filing an application for temporary uplinking on a non-news channel should be reduced to 7 days, as there are many sports events which do not have clarity in respect of the schedule 15 days prior to the event.

Analysis of the issue and views of the Authority

- 3.81 The Authority has analyzed the issue earlier also and was of the view that temporary uplinking of live events through pre-approved DSNG vans and space spectrum can be permitted on the basis of ‘registration’ only. Accordingly, the Authority has recommended the following in its earlier recommendations on ‘Ease of Doing Business in Broadcasting Sector’:

a) For the events to be uplinked for viewing in India, if:

- i) the applicant company has agreement with the existing broadcaster(s) and teleport operator; and*
- ii) the applicant company propose to use the pre-approved DSNG and space spectrum for temporary uplinking of live event; and*
- iii) the broadcaster(s) undertake to comply with the Program and Advertisement Code*

then the registration of the necessary details by the applicant company along with the requisite documents and payment of requisite fee through the proposed integrated online portal should be sufficient.

b) For the events to be uplinked for viewing outside India, if:

- i) the applicant company has the agreement with the existing teleport operator; and*
- ii) it proposes to use the pre-approved DSNG and space spectrum for temporary uplinking of live event;*

then the registration of the necessary details by the applicant company along with the requisite documents and payment of requisite fee through the proposed integrated online portal should be sufficient.

c) In other cases, the existing process needs to be automated using proposed integrated online portal to improve efficiency.

3.82 The Authority has noted that MIB has considered these recommendations and has replaced the 'temporary permission' with 'registration'. The relevant clause of the 'Uplinking Downlinking Guidelines, 2022' now states that:

“18. Live uplinking of an event by a non-news and current affairs channel:

*1. A permitted non-news and current affairs channel may, for the purpose of uplinking an event Live in/from India, **register** itself online on the Broadcast Seva on payment of such fees as specified, at least 15 days preceding the first date of a live event, and furnishing such details and documents as may be specified in the application, including the following:*

- a. Date, time, venue and name of the event;*
- b. channel's/teleport's willingness to broadcast/uplink the proposed programme/event;*
- c. due authorization of the event owner along with specific dates and timings of the proposed programme/ event.*
- d. A valid WPC license issued to the teleport operator, where a DSNG/SNG equipment or any such technology is used requiring WPC license.*
- e. Where an ENG service is used, detailed specifications thereof.*

*2. **Registration** on Broadcast Seva under sub-para (1) will enable the company/LLP to seek approval/NOC of other concerned authorities for broadcasting the event live, and no separate permission need be granted by the Ministry.”*

3.83 For the matter of reducing the timelines from 15 days prior to a period of 7 days, it has been seen from the portal that MIB is accepting applications from the broadcasters even if the date of an event's transmission is less than 15 days from present date, but an alert is shown 'Application has not been made 15 days before the proposed event date which may have repercussion in timely issue of permission.'

ii. Issue of processing fee

Comments of the Stakeholders

3.84 The stakeholders have also mentioned that MIB, vide order dated 13th December 2017³³, has introduced a processing fee for temporary uplink of live event. As sports channels usually consist of live sporting events, the amount paid by broadcasters as processing fees sometimes becomes huge. Broadcasters also submitted that they pay royalty charges to WPC. Therefore, requested to do away with the processing fee.

Analysis of the issue and views of the Authority

3.85 MIB issued a notice dated 11th December 2017³⁴ citing that temporary uplink of an event is tantamount to changing the character of the channel from General Entertainment Channel (GEC) to Current Affairs. So, a processing fee per day per channel would apply. Accordingly, MIB introduced processing fees for live telecast of an event by a non-news channel. Thereafter, MIB on 26th October 2018³⁵, waived off processing fee for live telecast of devotional/ spiritual/ yoga content.

3.86 The above Orders have been consolidated in the 'Uplinking Downlinking Guidelines, 2022', which currently prescribes the following fees for live telecast of an event by a non-news channel:

- i. *National channel: Rs. 1 lakh (~USD 1.2 thousand) per channel per day*
- ii. *Regional channel: Rs. 50,000 per channel per day*
- iii. *Devotional channel: No fees for a devotional/ spiritual/ yoga content*

3.87 The Authority is of the view that broadcasters already pay an annual permission fee for every channel, royalty charges³⁶ to WPC and transponder charges for the use of satellite. Thus, it is evident that they are already paying for the resources. Thus, why a further processing fee per channel per day is applied for live events, which majorly covers Sports, is a matter of concern.

3.88 On the contrary, MIB vide Gazette notification dated 9th May 2022³⁷ notified some sporting events of national importance. These events include all Olympic games, Commonwealth games, Asian games and events relating to sports like Cricket, Tennis, Hockey, Football, Kabaddi, Khelo India games and other events. Considering the national importance of these events, levying a processing fee seems to be unreasonable. However, the processing fee is outside the scope of EoDB,

³³<https://mib.gov.in/sites/default/files/Order%20regarding%20processing%20fee%20on%20account%20of%20changes%20in%20a%20TV%20channel%20etc..pdf>

³⁴<https://mib.gov.in/sites/default/files/Notice%20regarding%20processing%20fee%20for%20temporary%20uplinking%20permission.pdf>

³⁵ <https://mib.gov.in/sites/default/files/Order%20reg.%20Waiver%20of%20processing%20fee%20.pdf>

³⁶ <https://telerb.railnet.gov.in/raw-attachment/wiki/UpLoads/WPC-Lt.No.P-11014-34-2009-PP%281%29dt.22032012.pdf>

³⁷<https://mib.gov.in/sites/default/files/Notification%20of%20sporting%20events%20of%20national%20importance%20.PDF>

but in view of the detailed comments received on this matter and the analysis thereof, the Authority is of the view that MIB may review and consider removing processing fee for temporary uplinking of all events, the way it has been waived off for devotional / spiritual/ yoga events.

iii. The technology of Multi-Channel Per Carrier

Comments of the Stakeholders

- 3.89 Yet another suggestion from stakeholders is to permit broadcasters to use single frequency in ‘Multi channel per carrier (MCPC)’ mode for sending more than one contribution feed from the venue. This helps better utilization of bandwidth and allow multiple camera feeds.

Analysis of the issue and views of the Authority

- 3.90 As per the earlier provisions for temporary uplinking in policy guidelines for uplinking of TV channels– 2011, *uplinking from SNG/DSNG should be in SCPC mode only (only single feed can be uplinked from the SNG/DSNG at a time)*. However, present day technologies allow carrying multiple channels/ feed in a single frequency. MCPC³⁸ is a satellite transmission platform. Digital audio, video and other broadcast carrier signals are multiplexed into a single digital data stream, which results in reduced satellite transponder usage and lower transmission costs per channel.
- 3.91 However, the revised ‘Uplinking Downlinking Guidelines, 2022’ is silent about the SCPC mandate. Therefore, the Authority assumes that the restriction of uplinking from SNG/ DSNG in SCPC mode only is no more applicable.

iv. Fee imposed by WPC wing of DoT

Comments of the Stakeholders

- 3.92 Many broadcasters and some associations have submitted that WPC fee should be based on an event rather than frequencies. They have raised this concern by citing the following example:

“For 21 days event falling under 2 or 3 months period attracts 3 months WPC fee subjected for single frequency spot but if the consistent frequency is not available then per frequency fee is multiplied. For 3 months period if we use three different frequency slots (as consistent frequency for longer duration becomes very tough to get), WPC fee becomes 9 times (3 x 3 months) and this is a serious pinching point for broadcaster.”

- 3.93 It is also expressed that WPC wing should charge on hourly or daily basis rather than whole month and fee should be levied on a

³⁸ <https://www.techopedia.com/definition/24127/multiple-channels-per-carrier-mcpc>

transmission basis irrespective of the frequency used. In this regard, the following example is quoted:

“If any temporary event is there for 3 days using 9 MHz satellite bandwidth on any of the Indian satellites, say, 30th March to 1st April, then WPC will be charging spectrum royalty for minimum 2 months, i.e., for 60 days whereas the event is only for 3 days.”

Analysis of the issue and views of the Authority

3.94 WPC prescribes a minimum royalty fee equivalent to that for one month for temporary uplinking. Broadcasters typically acquire separate spectrum allocations to meet their temporary uplink needs. Unfortunately, because royalty fees are typically charged on a monthly basis, an event that only lasts a few days but spans over several months can result in the broadcaster being charged for three months of royalties, which may be perceived as unjust. The Authority feels that WPC fees should be charged on the basis of number of days (i.e., per day charges) rather than on monthly basis. While seeking permission, the service provider should specifically mention the number of days for which the permission is required, and accordingly WPC should levy the charge. Thus, WPC should review the method of charging the service provider for temporary uplinking of live events on pro-rata basis and consider charging for actual number of days instead of entire month. The Authority doesn't agree to the suggestion of service providers of charging on event basis rather than frequencies, since the WPC royalty charges are for frequency assignment.

3.95 In view of the above discussions, **the Authority recommends that WPC should charge the spectrum royalty fee for temporary uplinking of live events on pro-rata basis for actual number of days of the event (i.e., basis per day charges) instead of charging for entire month. MIB should take up the matter with WPC.**

B.5 Change of Name, Logo, Format and Language of TV channels

3.96 According to the previous uplinking and downlinking guidelines, broadcasters were required to seek MIB's permission for change in name of channel, addition of languages, change in channel logo, format etc. and which has to be endorsed by WPC. Such changes are required depending upon their business plans in response to consumer interests and preferences.

Comments of the Stakeholders

3.97 On the basis of the previous guidelines, the stakeholders have suggested that when there is a change in the name or logo of any channel, but no change in the applicant company's name/ ownership, the technical parameters of an on-air channel i.e., no change in teleport, frequency,

satellite or transponder or no dual illumination involved, a mere intimation to MIB with the prescribed processing fee (if it is changed within a year of getting license) should be required. They have submitted that while intimating to the Ministry, the applicant may be required to submit proof of copyright and trademark for the changed name and logo.

- 3.98 Further, they have submitted that in case of change of name and logo, endorsement by WPC/ NOCC should also be done away with and a process of mere intimation should be introduced as WPC/ NOCC require updating records at their respective end. Once MIB acknowledges the change, the endorsement of WPC and NOCC of such change on the license of the teleport operator be only for record keeping purposes.
- 3.99 Those stakeholders also suggested to simplify the existing process of format and language change. Once a broadcaster has acquired necessary permissions, change in TV channel language should be an intimation as any content, in any language, is subject to self-regulatory mechanism including adherence with Programming Code. They also commented that broadcaster may be allowed to broadcast different variants of a TV channel such as SD, HD, 4K etc. when the TV channel programming remains the same in all versions.

Analysis of the issue

3.100 MIB, in its 'Uplinking Downlinking Guidelines, 2022' has made clear guidelines for Change of name & logo/ satellite/ teleport.

3.101 Permission from the Ministry is mandated for:

- a. Change in name, logo of a TV channel.
- b. Change in satellite or teleport if such change is proposed in the permission of uplinking of TV channels.

A timeline of 15 days is prescribed for grant of permission for the change applied.

3.102 Intimation on BroadcastSeva portal is sufficient for:

- a. Change in satellite or teleport in case change is proposed in permission of downlinking of TV channels.
- b. Change in language of transmission.
- c. Change in mode of transmission.
- d. Change in address and such other relevant particulars of the company/ LLP.
- e. Resignation of a Director/ Designated Partner/ Chief Executive Officer.

3.103 Further, DoT vide its OM dated 21st November 2022 has notified that WPC endorsement of a TV channel can be self-generated by teleport operator on SaralSanchar. It also mentioned that, till the availability of such online facility, WPC Wing will continue to issue the manual endorsement letters following the ongoing practice.

3.104 Therefore, the process is already simplified by replacing some of the ‘permission’ based processes to ‘intimation online’, while the applicable permissions are made online and time bound. The WPC endorsement is also now self-declaration based. The Authority considers these changes will ease out service providers’ issues.

B.6 Bit rate restriction by WPC

3.105 Many stakeholders have opined that WPC should remove restriction placed on the bit rate used by TV channels for uplinking through teleport. Stakeholders submitted that TEC has allowed broadcasters to select their desired bit rate to ensure that they broadcast on the highest quality. Thus, they wanted the same to be done by WPC also. Presently, the bitrate restrictions put forth by WPC is given in **Table 3.4**.

Table 3.4: Bit rate restrictions by WPC

S. No.	Compression Type	HD Bit Rate (min)	SD Bit Rate (min)
1.	MPEG2	7.0 Mbps	2.0 Mbps
2.	MPEG4 or h.264	5.0 Mbps	1.5 Mbps
3.	HEVC or h.265	3.5 Mbps	1.5 Mbps

3.106 They have submitted that the new specifications released by TEC remove erstwhile restrictions which inhibited the use of modern satcom technologies and help deliver significant benefits to the end consumer. The broadcasters demanded that the same should also be recognized and implemented by WPC so that broadcasters are allowed to use a data rate that best suits the requirement within the approved satellite capacity.

Analysis of the issue

3.107 The Standard for Interface Requirements TEC 42012:2021³⁹ states that *there will not be any limit on data rates, in general, unless and otherwise limited by the Licensor or TEC document*. However, WPC has also imposed certain restrictions. The Authority feels that these restrictions were imposed way before, when more bandwidth is needed to achieve the desired quality of service for reception of TV services. Now, with technological developments, such restriction is no longer required. It should be left with the broadcasters as per their business requirements and technical specifications, as long as the quality of service is maintained. Removing this restriction will not only pave the way for introduction of new futuristic technologies like 4K or UHD channels for Indian viewers, but it can also reduce forex outflow as majority of Indian broadcasters use foreign satellites.

³⁹ <https://www.tec.gov.in/pdf/GR3/TEC%2042012%202021%20FSS%20BSS.pdf>

3.108 In line with TRAI's analysis on this issue, DoT vide its O.M. dated 21st November 2022⁴⁰ has done away with the requirement to restrict the number of TV channels. It is further mentioned that it is the responsibility of the teleport operator and the TV channel broadcaster to maintain the quality of TV reception. Hence the concerns of the stakeholders have already been addressed.

C. Issues related to distributors of TV channels

3.109 DTH operators, MSOs and HITS operators have raised some concerns for easing out their businesses.

C.1 Simplified registration and validity of license for LCOs

3.110 At present, the LCOs are governed by the Cable Television Networks (Regulation) Act, 1995 and the Cable Television Networks Rules, 1994 (CTN Rules) 1994. As per Rule 2(e) of the CTN Rules, 1994 the registering authority in relation to a cable operator is the Head Post Master of Head Post Office of the area within which whose territorial jurisdiction the office of cable operator is situated for providing services to the TV viewers. This registration is manual so far. No concrete list of registered and operational LCOs is available with the Ministry. The initial registration is valid for 1 year and is renewed every year. As on 01.01.2022, about 81,706⁴¹ cable operators are operational.

Comments of the Stakeholders

3.111 Some stakeholders have expressed that current process of registration of LCO should be reviewed. A central registering authority should be notified under the CTN Rules. There should be a centralized web portal to issue registration certificate and maintain database for LCOs. Through such portal, LCOs should be permitted to register themselves with MIB using Aadhaar verification and an undertaking from the LCO to comply with all relevant provisions of the CTN Act and CTN Rules. It has also been suggested that Goods and Services Tax (GST) registration should also be integrated on the portal. They have also submitted that process of developing a single window clearance for Right of Way (RoW) approvals should be expedited for facilitating ease of business.

3.112 Further, the stakeholders are of the view that duration of registration should be increased from existing one year to ten years. One stakeholder has suggested that it should be increased to five years.

Analysis of the issue and views of the Authority

3.113 The Authority agrees with the views of stakeholders. The new BroadcastSeva portal elucidates the registration procedure, eligibility

⁴⁰ <https://dot.gov.in/sites/default/files/doc00615220221121174135.pdf>

⁴¹ MIB sought the information from Department of Post.

criteria and documents required for LCOs, however currently there is no provision to register online. The applicant has to physically visit the Head Post Office for registration. The Government lacks explicit database of the total registered and operational LCOs. Absence of such authentic information about the repository of LCOs has always been the bottleneck for the Ministry and the Authority. It may lead to a situation where some LCOs may run their service even without proper registrations.

3.114 The requirement of registering with the Head Post Office was designed when there was no provision of online filing and scrutinizing of applications. Now-a-days, almost all the sectors of country are being automated and digitized. It is need of the hour to digitize the LCOs registration as well. The Government should have a live database of LCOs on record. Hence it becomes imperative that the registration and renewal of LCOs should be made online. With the existence of portal at MIB, applicants can easily submit the application form for LCO registration online to MIB. MIB may duly scrutinize the application and provide the LCO registration. Accordingly, the CTN Rules 1994 has to be suitably amended.

3.115 A customer service centre/ e-Seva centre may be established to guide the smaller LCOs to get used to the online system and assist submitting their applications. Keeping in mind, a large number of registrations, and given the fact that individuals are also eligible for applying for an LCO, the online system should be simple and user friendly. A simplistic mobile application for LCO registration should also be designed. This will assist even a not so technology aware applicant to navigate, fill and submit the application. In the app, simple registration procedure should be made available in Hindi, English and all vernacular languages. Documents required and sample documents should be clearly visible on the mobile app. Further, the registration should be based on mobile number, which can be easily authenticated by linking the registration with Aadhaar.

3.116 Further, the clause 4B of the Cable Television Networks (Regulations) Act, 1995 *inter-alia* states that:

“4B. Right of way for cable operators and permission by public authority.

(1) *Subject to the provisions of this Act, any cable operator entitled for providing cable services may, from time to time, lay and establish cables and erect posts under, over, along, across, in or upon any immovable property vested in or under the control or management of a public authority.*

(2) *Any public authority under whose control or management any immovable property is vested may, on receipt of a request from a cable operator permit the cable operator to do all or any of the following acts, namely:—*

- (a) to place and maintain underground cables or posts; and*
(b) to enter on the property, from time to time, in order to place, examine, repair, alter or remove such cables or posts.”

- 3.117 Accordingly, the Central Government laid down guidelines to enable the State Government to put in place an appropriate mechanism for speedy clearance of requests from cable operators for granting them facility of Right of Way (RoW). These guidelines state that a cable operator shall make an application along with necessary details and the registration certificate to that concerned authority. The public authority shall within 60 days from the date of receipt of application grants permission or rejects the application.
- 3.118 For laying overhead or underground Optical Fiber Cable (OFC), RoW approval is required from various agencies of State/ UT, local bodies and other Government organizations. The Authority is of the view that the existing RoW portals should be integrated with the single window portal of MIB and the said mobile application for LCOs. Option for leasing out should also be available in the respective RoW portal. Further, DoT has launched “GatiShakti Sanchar” portal (www.sugamsanchar.gov.in) on 14th May 2022⁴² for centralized RoW approvals to streamline the process of RoW Applications and permissions across the country. It is mentioned that GatiShakti Sanchar Portal will enable applicants from Telecom Services Providers (TSPs), Infrastructure Providers (IPs), Internet Services Providers (ISPs) etc. to apply for RoW approvals for laying Optical Fiber Cables (OFC) and erecting Telecom infrastructures like Towers etc. to submit their applications to various agencies of State/ UT Governments and local bodies. However, no provision for LCOs to take RoW approvals from the portal has been enabled. DoT should enable RoW approvals for LCOs also in consultation with MIB. A hyperlink/ button icon should be provided on the MIB portal and the mobile app to reach on the RoW portal.
- 3.119 Similarly steps for renewal after expiry of registration should also be made easy and online for ensuring continuity of services. The payment method for both registration and renewal fee should be incorporated in the portal and app. Access to view the portal database should be provided to all the concerned Authorities like Municipality, local Authorities and TRAI. The list of registered LCOs should also be available to the public at large.
- 3.120 Likewise, the Authority is of the view that a forward/ backward linkage with the GST portal should also be provided in the portal. MIB should collaborate with Central Board of Excise and Customs for enabling this

⁴² <https://www.pib.gov.in/PressReleasePage.aspx?PRID=1825332>

feature from the MIB portal and app for such LCOs for whom GST is applicable. This will enable the applicant to simultaneously register under the GST law and get a GST number. This will also ensure that the applicable authorities to collect GST from LCOs falling within the purview of taxation slab.

- 3.121 Regarding the validity of LCO registration, the Authority is of the view that increasing the validity from one year to five years will encourage both the MSOs and LCOs to enter into a long-term business relationship. This will also refrain from execution/ renewal of model interconnection agreements due to the expiry of term of postal certificates every year. It may be noted that, the Authority, in its previous EoDB recommendations has recommended that *the registration of LCO and its renewal should be carried out through online portal. Further, the period of registration for LCO should be increased to 5 years.* The Ministry has also agreed to the recommendations; however, implementation is still awaited. Hence, in this matter, the Authority reiterates its earlier recommendation.
- 3.122 On increasing the registration period from 1 to 5 years, it is quite possible that many LCOs may wind up their business before 5 years. This winding up or request for cancellation should be appropriately enabled in the portal/ app with the click of the button. And the registration and de-registration should be intimated to all the Authorities concerned. The MSOs should also verify their linked cable operators. When any MSO has stopped providing the signals to an LCO, it should be reflected in the portal.
- 3.123 In light of the discussions above, ***the Authority reiterates that the registration of LCO and its renewal should be carried out through online portal. Further, the period of registration for LCO should be increased to 5 years.***
- 3.124 Further, **the Authority recommends that:**
- a. **A simple mobile app should also be developed by MIB for registration of LCOs. Request for cancellation of LCO registration before 5 years should also be enabled on the online portal and mobile app.**
 - b. **The Right of Way (RoW) portal (“GatiShakti Sanchar Portal”) should incorporate all the service providers including LCOs. DoT should enable RoW approvals for LCOs also in consultation with MIB. A hyperlink/ button icon should be provided on the MIB portal and the mobile app to reach the RoW portal.**
 - c. **All the service providers (including LCOs) should be enabled for easy linkages of registration information with GST registration**

portal. A forward/ backward linkage with GST portal from MIB online portal/ app will enable the users.

- d. MIB should maintain a common database of registered LCOs and access to view the LCO data should be provided to all the concerned Authorities like Municipality, local Authorities and TRAI. List of the registered LCOs should also be made available to the public at large.**

C.2 Exclusion of non-license activities from License Fee

3.125 The stakeholders of DTH sector have drawn the attention of the Authority to the amendment in the UL Agreement dated 25th October 2021⁴³ which modified the definition of Adjusted Gross Revenue (AGR) to remove non-telecom revenues while calculating License Fee. On same lines, they have requested to amend the definition of AGR by removing non-distribution revenues earned by DTH companies. In this regard, it is informed that the Authority is in receipt of a reference from MIB on this issue and the same is being handled through a separate consultation process. The Consultation Paper on 'License Fee and Policy Matters of DTH Services' has been issued on 13th January 2023.

D. Other issues

Comments of the Stakeholders

3.126 One service provider has commented that if one arm of the Government engages into commercial activities, the applicable laws should be made applicable to all. There should not any difference between DD FreeDish and private DTH operators. They have submitted that all channels which are available on DD FreeDish as FTA Channels should be offered to all DPO's on same terms and conditions on which the said channels are being offered to DD FreeDish. They commented that policy and regulations should be made applicable to Over-The-Top (OTT) platforms also.

3.127 Few stakeholders have pointed out that MIB Guidelines are silent on the process of surrendering a license/ closing a permission. According to them the company sends an email to MIB to inform them of the intention to shut down. They have suggested that an option be provided on the electronic single-entry window to allow for service providers to surrender the license/ permission.

3.128 Some of the stakeholders have submitted that one-time forex remittance authorizations should be made available for the entire period of the contract between the approved satellite service provider and the broadcasters. The present mechanism is that the service providers

⁴³ <https://dot.gov.in/sites/default/files/Amendment%20in%20UASL%20for%20AGR%5B2424%5D.pdf>

should get a prior approval from MIB for foreign remittance. They have suggested that this prior approval should be done away with, and the service providers could continue to file the details of the foreign remittances made for transponder charges on a yearly basis. They are further of the view that, RBI can be directly approached for forex remittance as RBI has already given general permission for payments to foreign satellites for uplinking services.

3.129 Another concern of the service providers is that involvement of multiple ministries causes delay in getting approvals and it also derails business planning and payment of valuable forex to foreign satellite operators. Hence, they have suggested that the ministries/ departments should also prepare a clear-cut timeline that satellite TV businesses can rely to take time sensitive decisions.

Analysis of the issue

3.130 In this regard, the Authority is of the view that the issue of DD Free Dish, OTT services are policy matters and doesn't fall under the scope of EoDB. The Authority has noted the suggestions of the stakeholders and will separately deal with them appropriately.

3.131 On the subject of surrender of license, the Authority is of the view that presently the exit policy doesn't mention any obligations to be followed while closing the business. Further, it is observed from the New BroadcastSeva portal, that the Ministry accepts applications from the service providers for surrender of TV channel permission. The process seeks reason for surrender of permission, request letter from the service provider and outstanding amount, if any. It is further seen that process of surrender of license/ permission for DTH and HITS is also now available in the portal. Thus, the Authority is of the view that the process of surrender of permission/ license of TV channels is already simplified, and no further simplification is needed in the process at this moment.

3.132 On the issue of foreign remittance raised by stakeholders, the Authority has noted that according to the Rule 4 of Foreign Exchange Management (Current Account Transactions) [FEMA] Rules 2000⁴⁴, remittance of hiring charges of transponders by TV channels require prior approval from MIB. Further, MIB has also issued an advisory dated 25th June 2014⁴⁵ and made it mandatory to obtain prior approval from MIB for foreign remittance. Thus, the Authority disagrees with the views of the stakeholders and the existing procedure of getting prior approval from MIB should be continued in compliance to the FEMA Rules.

⁴⁴ <https://rbidocs.rbi.org.in/rdocs/content/pdfs/87256.pdf>

⁴⁵ https://mib.gov.in/sites/default/files/ADVISORY_reg_FOREX_Remittance_under_FEMA_Act.pdf

3.133 All the issues, which are identified as policy issues, however, are important to be addressed for enabling ease of doing business in the sector in terms of both policy and procedure, may be prioritized and taken up by TRAI/ MIB in a phased manner to facilitate a conducive business environment.



CHAPTER IV

GRANT OF PERMISSIONS BY DEPARTMENT OF TELECOMMUNICATIONS

- 4.1 Department of Telecommunications (DoT) is the nodal ministry for issuing various licenses/ permissions/ registrations/ approvals to the service providers of telecom fraternity. Most of the permissions are granted by DoT HQ, while some through Licensed Service Area (LSA) units of DoT. DoT has 22⁴⁶ such LSA units and 26⁴⁷ Controllers of Communication Accounts (CCAs) offices located across the length and breadth of the country.
- 4.2 Telecom license process and subsequent approvals also involves several ministries and departments. The departments/ ministries for various type of permissions/ licenses/ approvals include:
- Department of Space (DOS) for obtaining and using satellite transponder bandwidth;
 - Ministry of Home Affairs (MHA) for security clearances of foreign key personnel;
 - Wireless Planning and Coordination Wing (WPC) within DoT for getting the frequency allocation through decision letter and operating license;
 - Network Operating and Control Centre (NOCC) wing within DOT for obtaining carrier plan approval & uplink permission.
- 4.3 After the introduction of Unified License regime, many standalone licenses got merged into Unified License (UL). DoT issues the following licenses/ registrations:
- i. UL with authorizations for different services
 - ii. UL - Virtual Network Operator (UL-VNO)
 - iii. Registration to Infrastructure Providers Category-I (IP-I)
 - iv. Prime Minister's Wi-Fi Access Network Interface (PM-WANI) registrations
 - v. Captive Very Small Aperture Terminal (VSAT) Closed Users Group (CUG) License
 - vi. Captive Mobile Radio Trunking Service (CMRTS)
- 4.4 The following additional permissions are also given by DoT:
- i. Authorization to provide in-flight and maritime connectivity (IFMC) service

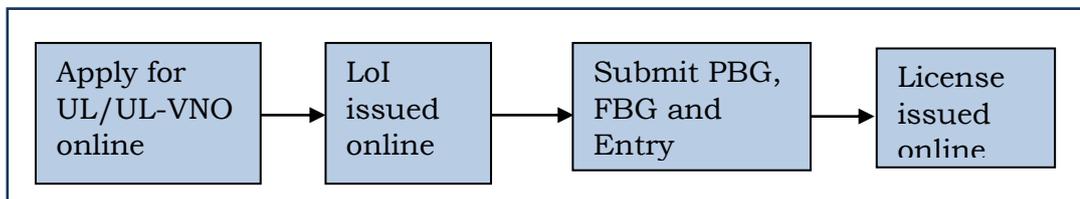
⁴⁶ <https://dot.gov.in/lisa>

⁴⁷ <https://dot.gov.in/cca/about-cca>

- ii. Permission of laying and repair of submarine cables, optical fibers, and establishing cable landing station
- iii. Clearance for Lawful Interception
- iv. Allocation of numbering resources
- v. Rollout obligation monitoring
- vi. NOC/ Renewal of NOC for Sale/ Rent of International Roaming SIM Cards and Global Calling Cards
- vii. EMF compliance self-certification through Tarang Sanchar portal
- viii. Security conditions, including remote access permissions, maintaining command logs, software upgrade intimation requirements
- ix. Addition/ Modification of any new service in the existing license
- x. Action for non-compliance/ breach of terms and conditions of license
- xi. Surrender of spectrum
- xii. Surrender of license
- xiii. Cancellation/ Revocation of license
- xiv. Release of BG

4.5 DoT launched ‘SaralSanchar’ (Simplified Application for Registration and Licenses), a web based unified portal on 15th November 2018⁴⁸, for issuing licenses and approvals in a digitized manner. Initially, the portal covered applications for UL, UL-VNO, WPC licenses, SACFA clearances and PM-WANI registrations. The process for grant of UL on SaralSanchar portal is depicted in **Figure 4.1**. Vide O.M. dated 23rd March 2022⁴⁹, SaralSanchar payments have been integrated with BharatKosh portal. In addition, many other reforms like launch of SARAS portal, simplification of Other Service Providers (OSP) registration, structural and procedural telecom reforms, wireless licensing reforms, satellite communication reforms are further assisting improving the licensing and permission process.

Figure 4.1: Process for obtaining UL through SaralSanchar portal



4.6 Further, DoT vide its O.M. dated 30th August 2022 has mandated all licensees to migrate and confirm information of their existing Licenses/

⁴⁸ https://dot.gov.in/sites/default/files/2018_11_15%20SSA-VNO.pdf

⁴⁹ <https://dot.gov.in/sites/default/files/OM%20regarding%20payment%20through%20Saralsanchar%20only%20dated%20230322.pdf>

authorizations in SaralSanchar portal⁵⁰. DoT has also issued a user manual for migration and related workflows.

- 4.7 The Authority raised Q2 in the consultation paper seeking comments on telecom licenses granted by DoT which requires improvement from point of view of EoDB. Stakeholders have submitted that DoT has successfully implemented the SaralSanchar portal with end-to-end processing and availability of final approval document online. The intent of DoT is to integrate many more associated processes with SaralSanchar portal. However, their opinion is that there are many practical issues being faced by Telecom Service Providers (TSP) in their day-to-day operations.
- 4.8 Regarding the timelines, some stakeholders stressed upon the need for defining specific timelines and ensuring strict adherence to such timelines. The stakeholders also demanded for an online query system with a specific timeline to answer the query, say 15 days. The information on the licensing system/ regulatory requirements should also be retrievable online.
- 4.9 Some associations have mentioned that, currently, the timeline provided for granting a UL/ UL(VNO) license is up to 120 days and there are only three stages on portal visible for an applicant.
- a. Submitted
 - b. Under process
 - c. Completed

In view of this, they have suggested that the stage-wise approvals/ comments should also be recorded on the website to make it transparent. It would be beneficial if the inter-departmental movement can be traced, and the entire process have a guaranteed stage-wise Turn Around Time (TAT).

- 4.10 Some stakeholders commented that all portals like SaralSanchar, SARAS, BharatKosh and NSWS should be integrated. Other stakeholders have emphasized that application forms should get auto saved while filing the application. The portal should have option to download application form in progress. Applicants should be able to track progress of the application online. Final permission should be available in downloadable form. TSPs should not be required to submit the documents in hardcopy/ email.
- 4.11 These comments propound the requirement of single window system with defined timelines, query system, etc., are on similar lines on Q1 for MIB. These issues are already discussed and addressed in Chapter II.
- 4.12 The stakeholders through their comments demanded that offline permissions like IP-I registration, CMRTS license, captive VSAT License,

⁵⁰https://dot.gov.in/sites/default/files/Online%20Lifecycle%20Managment%20and%20submission%20of%20reports%20Licensees_0.pdf

IFMC authorization, Mandatory Performance Verification Testing should also be brought under the scope of digital system.

- 4.13 The Authority has learnt that the remaining permissions like Captive Non-Public Network (CNPN) license, CMRTS license, IFMC, Captive VSAT, all approvals from NOCC and almost all the licenses of WPC are now incorporated in SaralSanchar portal. Payment related processes for License Fee and Spectrum Usage Charges, Bank Guarantees etc. are being carried out through SARAS portal. The Authority believes that this paves the way for quick, transparent, paperless and hassle-free platform for applicants. The issues coming in the portal are being resolved by DoT and the service providers collaboratively. Specific issues in the permission/ compliance process raised by the stakeholders are discussed in the paragraphs below.

A. Issues related to terms and conditions of License Agreement for Unified License

- 4.14 UL guidelines specify several requirements to be fulfilled by the service providers. To meet the requirements, lot of efforts are put in terms of time spent, manpower and finance. Under each requirements/ compliance, stakeholders have made specific comments. There is a need to simplify these requirements, thereby reducing the compliance burden from the service providers.
- 4.15 Section 2.1(c) of NDCP 2018 also highlighted the need for specifying timelines for providing clearances. It also envisages to reduce regulatory compliance keeping in view the international best practices.

“2.1 (c) Simplifying and facilitating Compliance Obligations by:

- i. Reducing license and regulatory compliance requirements keeping in view best international practices*
- ii. Simplifying existing systems and procedures for grant of licenses, approvals, clearances, permissions and developing a comprehensive end-to-end online platform*
- iii. Specifying timelines within which various types of licenses, permissions and clearances shall be provided by the relevant administrative offices.”*

A.1 Demonstration of Lawful Interception Monitoring (LIM) capabilities

- 4.17 UL licensees are required to provide requisite monitoring and interception facilities/ equipment prior to commencement of service type. This is done at the service provider cost as required by the Licensor from time-to-time. The relevant clause of Unified License guidelines states that:

“7. Provision of Service

The Licensee shall be responsible for, and is authorized to own, install, test and commission all the applicable systems for providing the Service authorized under this License agreement. The Licensee shall intimate to

the Licensor well in advance before the proposed date of commencement of any service in any Service Area containing the details of network and required facilities for monitoring of the service installed by the Licensee. Any service, permitted under the scope of this License Agreement, shall be commenced by the Licensee after giving an intimation to do so to the Licensor. However, the compliance to the scope of the License and requisite monitoring facilities will be demonstrated to the licensor within 90 days from the date of receipt of such intimation from the Licensee.”

Comments of the Stakeholders

- 4.18 One service provider submitted that TSPs have already implemented efficient and effective LIM systems hence, all TSPs, by design are LIM compliant, thus there is no requirement of demonstration every time. TSPs should only give a self-certificate of LIM compliance on launch of service. If required by any Law Enforcement Agency (LEA) for a particular service, TSPs can always be asked for a demonstration.
- 4.19 Few stakeholders have suggested that LI demonstration should be conducted centrally rather than circle wise. Further, the compliance of the system should be based on the LI requirement as demonstrated in the central demo and the LI clearance issued should be valid for all circles.

Analysis of the issue and views of the Authority

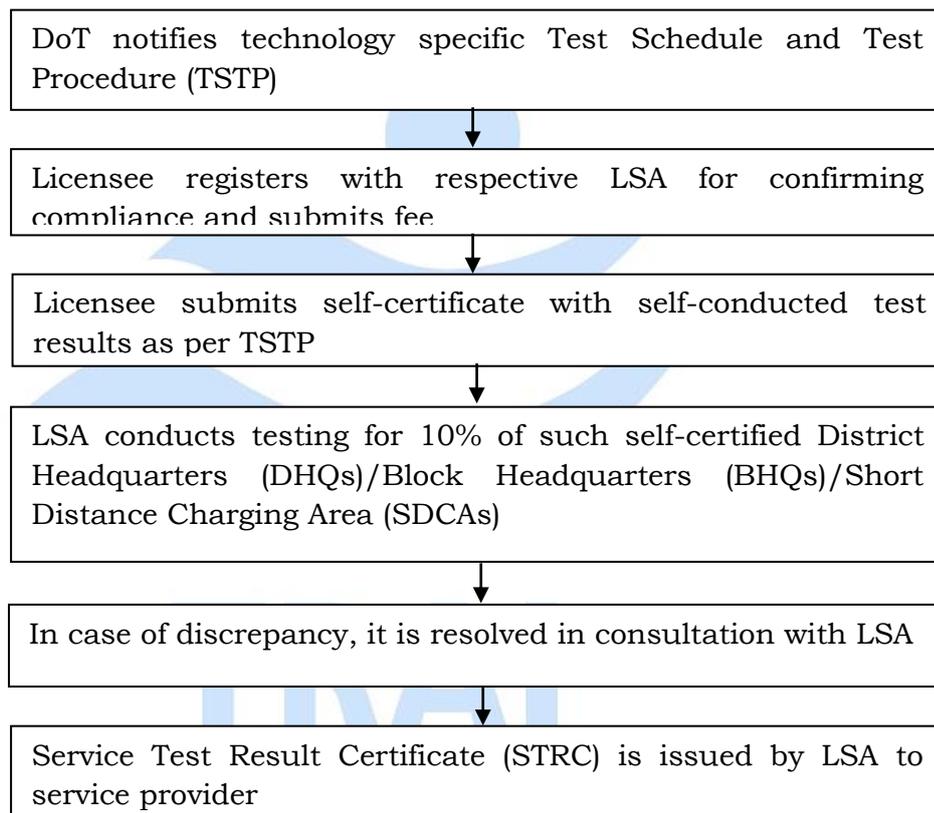
- 4.20 The Authority is of the considered view that Lawful Interception is an important and powerful tool in criminal and security investigations. Hence monitoring by LEAs holds utmost significance from the national security angle. Considering the importance of Government’s involvement, the Authority disagrees with the suggestion that self-certificate is sufficient. There should be proper demonstration given to the Government and the LEAs as per the prescribed guidelines.
- 4.21 However, since many telecom licensees operate PAN India and have a centralized national level Network Operating Center, the demonstration should happen centrally. The LI clearance should be valid for all such LSAs, where the technological parameters and the features of the new service being launched remain the same. Thus, the Authority is of the view that the LI demonstration may be permitted to take place at the central NOC or at one of the LSAs as decided by DoT. DoT should prescribe a nodal office to deal with such cases, where such new service uses a common network (with same technical parameters) across multiple LSAs. The nodal office should authorize one LSA to carry out such testing and share the test report with all the other LSAs.
- 4.22 Accordingly, **the Authority recommends that the lawful interception monitoring demonstration of a new service in a single network may**

take place centrally at one LSA/ location. DoT should prescribe a nodal office to deal with such cases, where such new service uses a common network (with same technical parameters) across multiple LSAs. The nodal office should authorize one LSA to carry out such testing and share the test report with all the other LSAs.

A.2 Issues related to Rollout Obligation

4.23 The existing process followed to fulfill roll-out obligations by the service provider is explained as under:

Figure 4.2: Procedure for Rollout obligation



Comments of the Stakeholders

4.24 Regarding the roll out obligations, one of the associations has provided the following suggestions:

- For every consecutive spectrum auction held, requirement of revalidating the Minimum Rollout Obligation (MRO) certificate over and over again, even based on additional spectrum acquisition should be done away with.
- Self-certified submission should be relied upon to assess compliance.
- System of MRO compliance to be made online; the system should be automated including timely receipts of certificates.

d. The list concerning updated count of towns/ DHQs/ BHQs/ Rural SDCAs should be provided by DoT along with NIA.

Analysis of the issue and views of the Authority

- 4.25 The objective of prescribing minimum rollout obligation is to ensure that spectrum is efficiently put to use at the earliest. **Figure 4.2** explains in detail the procedure followed to comply with the roll-out obligations by service provider. Entire process of fulfilling and submission of compliance to the rollout obligation from the notification of TSTP to issuing STRC by LSAs is still offline.
- 4.26 The Authority is of the view that single window portal should have a module dedicated to the process of roll-out obligations. The module should encompass all steps, viz. TSTP notification by DoT, registration with LSAs, fees payment, submission of self-certificate by service provider and issuing STRC. Timelines should also be prescribed for each step. Database of the previous rollout obligations met by the service provider should be available in the portal, instead of seeking the information again. This will, in turn help submitting the undertaking for the previously obtained spectrum along with the STRC.
- 4.27 Further, the Authority has noted that vide O.M. dated 3rd November 2017⁵¹, DoT has eased out the procedure for cases where existing licensee has already fulfilled the rollout obligation and acquired subsequent spectrum. In such cases, licensee has to approach the respective LSA with copies of existing STRC or the registration certificates⁵². Service provider is also required to submit an undertaking stating that the services are continued to be provided in respective DHQ/ town/ BHQ/ rural SDCA. Further, the O.M. also states that no fee is applicable in such cases.
- 4.26 In view of the above, **the Authority recommends that there should be a module in the single window portal to comply with the end-to-end requirements of rollout obligation process. Timelines should be prescribed for each step of the process.**

A.3 Security Conditions

- 4.27 UL prescribes certain security conditions common for all authorizations and some authorization-specific conditions. Some of the common security conditions include remote access permissions, maintaining command logs, supply chain documentation, software upgrade intimation requirements.
- i. Remote Access Permissions

⁵¹ https://dot.gov.in/sites/default/files/2017_11_03%20OM%20AS-IV.pdf

⁵² Registration certificate is sufficient in case STRC is not issued.

4.28 In terms of remote access location, the clause 39.23 (xi) of UL Agreement states that:

“The Remote Access (RA) to network would be provided only to approved locations abroad through approved location(s) in India. The approval for location(s) would be given by the Licensor (DoT) after satisfying itself about the appropriateness.”

Comments of the Stakeholders

4.29 Few stakeholders have submitted that licensees should only be required to inform the licensor about a new foreign location for RA, instead of taking prior approval. To address concern of RA in any hostile country, the licensor can share an annual updated list of whitelisted countries/ locations with TSPs confidentially. They are of the view that the current guidelines mandate that prior approval should be obtained by TSPs from DoT to access their network in India from foreign remote locations. It is a crucial part of enterprise data service network as monitoring and maintenance activity is highly dependent on RA approval. But the existing process for this approval is time-consuming and complex.

Analysis of the issue and views of the Authority

4.30 The Authority is of the view that remote access to network from foreign locations entails issues of network security. Moreover, such facilities are generally in the global operating and support centers of specified vendors/ associates only. Therefore, suggestion that the process of approval for Remote Access be converted to intimation only does not seem tenable. However, the Authority is of the view that DoT may consider prescribing specific timelines for approval. An explicit online process may be specified with sample copy of documents/ papers to be enclosed. Such measures will resolve the concerns highlighted by stakeholders to a considerable extent.

ii. Software upgrade, storage of command logs and supply chain documentation

4.31 Under clause 39.9 of security conditions, UL Agreement states that the licensee shall:

- i. *Ensure that all the documentation, including software details are obtained from manufacturer/vendor/supplier in English language.*
- ii. *Keep a record of operation and maintenance procedure in the form of a manual.*
- iii. *Keep a record of all the operation and maintenance command logs for a period of 12 months, which shall include the actual command given, who gave the command, when was it given with date and time and from where. For next 24 months the same information shall be stored/ retained in a non-online mode. For this purpose licensee shall keep a list of User ID linked with name and other details of the user*

duly certified by the system administrator. The user list shall be provided to Licensor or agencies designated by the Licensor as and when required.

- iv. Keep a record of all the software updating and changes. The major updating and changes should also be informed to Licensor within 15 days of completion of such updating and changes.*
- v. Keep a record of supply chain of the products (hardware/software). This should be taken from the manufacturer/vendor/supplier at the time of procurement of the products.*

Comments of Stakeholders

- 4.32 Stakeholders have commented that the requirement of informing the licensor about all major software updates carried out in the network within 15 days creates huge operational challenges. They have to update software regularly to optimize the functioning of network elements like Radio Access Network (RAN), Core, Mobile Switching Center (MSC), IP Multimedia Subsystem (IMS), Intelligent Networks (IN) etc. They have further submitted that it is the TSP's responsibility to ensure that any updates on the existing software doesn't impact existing live network. Hence, the requirement of informing the licensor about software updates should be done away with, especially for the product/ equipment which have been procured from trusted sources.
- 4.33 On the requirement of storage of logs, one association has submitted that, the issue of storage of logs by ISPs should be reassessed. It should be kept as one year keeping in view the voluminous data being continuously being generated.

Analysis of the issue and views of the Authority

- 4.34 The Authority believes that the compliance requirements like maintaining command logs, supply chain details, intimation of software upgrades etc. should be simplified. The volume of the data to be stored, as argued by the stakeholders is huge. The requirement of keeping the records of all the operation and maintenance command logs for a period of 12 months, including the actual command given, who gave the command, when was it given with date and time and from where is very extensive. Further, for next 24 months the same information has to be stored/ retained in a non-online mode.
- 4.35 The Authority is of the view that these requirements should be reviewed and minimized to the extent possible. TSPs should maintain the minimum data on secured authentication-based servers. Licensor may access such server as and when necessary, using the secure access. For security measures such access may be allowed from specific static IP addresses and hardened systems. DoT may examine to establish such

static IP based secured access systems in each LSA for accessing such compliance. This will enable the availability of data at all the times to the Licensor, easier access in a secured way and transparency. Government should assimilate the basic concept of enabling the ecosystem by accessing the relevant information, as and when expedient.

4.28 Accordingly, **the Authority recommends that:**

- a. **The process of request for Remote Access to network from foreign locations, and approval by DoT should be made online and time-bound.**
- b. **DoT should review and simplify the existing security conditions prescribed in the UL agreement regarding maintaining command logs and supply chain documents. Instead of seeking every information from the service provider, DoT may examine to create static IP based secure access system to seamlessly access such data of the service providers. Government should assimilate the basic concept of enabling the ecosystem by accessing the relevant information, as and when expedient.**

A.4 Action for non-compliance/ breach of terms & conditions of the license

4.29 UL prescribes a penalty up to Rs. 50 crore (~USD 6.1 million) per instance per service area. This penalty is levied on Access Service providers, NLD and ILD for violating the licensing conditions. Stakeholders have suggested that the penalty provisions must be commensurate with the type of violation and graded penalty matrix should be devised in consultation with industry. They have stated that other licenses like ISP, VSAT, Resale of ISPs, etc. have lower penalties which is maximum of Rs. 1 crore (~USD 122 thousand). They suggested that the penalty for Access Services also should be reduced and penalty for an instance of non-compliance across the service areas should be levied for a single service area only. The mobile service providers have Pan-India operations wherein they have centralized most of their operations including network infrastructure. Therefore, levy of penalty in multiple service areas for effectively a single instance of non-compliance is equivalent to penalizing 22 times.

4.36 Regarding this issue, the Authority is of the view that it is a policy related matter. DoT is already in the process of reviewing the penalty scheme prescribed in UL Agreement through the draft telecom bill issued on 21st September 2022⁵³.

A.5 FDI Compliance

53

<https://dot.gov.in/sites/default/files/Draft%20Indian%20Telecommunication%20Bill%2C%202022.pdf>

4.37 The clause 1.2 of the UL Agreement states that:

“The Licensee shall declare the Indian & Foreign equity structure (both direct and in-direct) in the Licensee company and submit a compliance report regarding compliance of FDI norms and security conditions on 1st day of January and 1st day of July of every year to the Licensor in Proforma as may be prescribed from time to time. This is to be certified by Company Secretary or Statutory Auditor, countersigned by duly authorized Director of the Licensee Company.”

Comments of the Stakeholders

4.38 Stakeholders have suggested that FDI compliance should be submitted on an annual basis. Further, they have also suggested that TSPs should be given adequate time, minimum 30 working days to submit compliances. Hard copies should not be sought. Some have commented that it should be informed only in case of change and not on a fixed periodicity or adhoc basis. In any case, this becomes redundant in case of the TSP with 100% FDI.

4.39 In this regard, the Authority has noted that DoT, on 2nd August 2022⁵⁴ has amended the UL guidelines. FDI compliance report has been mandated to be submitted on 1st January of every year. Further, it is also mandated that whenever there is a change in FDI in Licensee’s company, the company shall submit the FDI compliance report within 15 days. Hence, the compliance is already made annual, but it is still being submitted offline. The Authority is of the view that the provision/methodology of submission of FDI compliance should be made online on SaralSanchar portal. The fields to be filled by the service provider should be made as per the prescribed proforma.

4.40 Apropos to the above, **the Authority recommends that DoT should incorporate the provision/ methodology for submission of FDI compliance on SaralSanchar portal.**

B. Issues related to UL-Internet Service Provider (ISP) License

4.41 The authorization for internet service is granted for three different categories namely ‘A’, ‘B’ and ‘C’. Their service area is National, Telecom circle/ metro and Secondary Switching Area (SSA) respectively. Further, if the licensee desires to obtain ISP category ‘C’ authorization, under UL, for more than four SSAs in a telecom circle, the licensee is required to obtain ISP category ‘B’ authorization for that service area.

B.1 Requirement of intimating location of ISP Nodes

⁵⁴ https://dot.gov.in/sites/default/files/02082022%20change%20in%20FDI%20Compliance-UL_0001.pdf

4.42 The clause under 'Requirement to furnish information' of Chapter IX of UL Agreement states that:

“6.1 The licensee shall provide to the licensor, a quarterly report indicating the details of ISP Nodes or Points of Presence with their locations and number of broadband/leased/dial up subscribers. In case new nodes are to be installed, one month prior notice is required to be given to the licensor.”

4.43 According to the said requirement of UL, the ISPs of all categories submit a quarterly report to the licensor mentioning the ISP nodes and an advance intimation to DoT for the new nodes getting installed.

Comments of the Stakeholders

4.44 The association of ISPs have expressed their concerns regarding the conditions prescribed in the ISP License. They have commented that the requirements of submitting quarterly report and seeking prior approval for new nodes are impractical considering the pace of growth of networks. They suggested that this requirement should be removed from the agreement and can be fulfilled during the annual license inspection.

Analysis of the issue and views of the Authority

4.45 It is an accepted fact that internet traffic in the recent years has attained abundant growth with the exponentially increasing subscriber base. This growth has led ISPs to upgrade their networks by installing more nodes in order to manage the traffic. Thus, installing new nodes have become a frequent practice. Providing an advance intimation, a month before each time for installing new node seems to be onerous and time-consuming. Hence, the requirement of submitting prior notice of one month should be reviewed. Instead, the licensee may provide an intimation just prior to installation of such new node(s). DoT may raise observation to such intimation, if any, within 15 days, for which, the licensee should be liable to respond satisfactorily.

4.46 As regards to the reporting of ISP nodes every quarter, the Authority feels that it is important that licensor should have the record of the location of the ISP nodes. This is necessary for both administrative and security reasons. The Authority is of the opinion that this requirement cannot be done away with. The frequency, however, can be reduced to ease the efforts of the service providers. Accordingly, the Authority recommends that an annual report indicating the details of ISP nodes or point of presence with their locations should be sufficient. Both these reporting should be a part of the reporting module of the single window system.

4.47 Accordingly, **the Authority recommends that Government may revise the periodicity for submission by Internet Service Providers (ISPs) for providing the details of ISP Nodes or Points of Presence (PoP)**

with their locations and number of broadband/ leased/ dial up subscribers to once every year (instead of every quarter). For the new nodes that are proposed to be installed, an intimation by the ISP to the Licensor at the time of installation should suffice. Such reporting should be part of reporting module of the online portal itself.

B.2 Blocking of websites

4.48 For ISPs, the clause 7.12 in the security conditions of Chapter IX UL Agreement states that:

“7.12 In the interest of national security or public interest, the Licensee shall block Internet sites/Uniform Resource Locators (URLs)/Uniform Resource Identifiers (URIs) and/or individual subscribers, as identified and directed by the Licensor from time to time.”

4.49 A service provider suggested that DoT should create an online central database of the sites/ URLs to be blocked. The TSPs could periodically download the data directly from the DoT servers. Any request for blocking of website by various security agencies of the country, courts and police authorities could be sent centrally to DoT who would verify the request and then add into the database.

Analysis of the issue and views of the Authority

4.50 Notification No. 181⁵⁵ of the Information Technology Act, 2000 issued by MeitY states that:

“India [Computer Emergency Response Team (CERT) - IND] shall be the single authority for issue of instructions in the context of blocking of websites. CERT-IND, after verifying the authenticity of the complaint and after satisfying that action of blocking of website is absolutely essential, shall instruct DOT - (LR Cell) to block the website. DOT, under whose control the ISPs are functioning will ensure the blocking of websites and inform CERT-IND accordingly.”

4.51 As seen from the notification, CERT-IND is the single Authority for issuance of blocking of websites. However, in some disaster or emergency situations, various District or the Police Authorities also send request to ISPs to block the internet and the social media for security reasons. Further, High Courts Orders also need to be implemented by the ISPs. For compliance with the High Court Orders, DoT communicates the list of websites to be blocked to ISPs through email/ website. It has also come to the notice of TRAI, that DoT has launched a separate portal (<https://ocbms.dot.gov.in/>) recently for providing the list of websites to be blocked. A separate login has been provided to ISPs.

⁵⁵ <https://www.meity.gov.in/content/it-act-notification-no-181>

- 4.52 The Authority is of the view that separate portals should not be designed for any individual process. It adds to the inconvenience of the service provider. Only a single window portal should be adopted for all processes. The Orders which specify the websites/ URLs to be blocked are confidential in nature. Hence it should be delivered into the secure logins of ISPs only. The ISPs only should receive such website lists from the portal in their secure login via an instant notification. The compliance report should be submitted to DoT through the portal itself. This would ensure timely information dissemination and compliance of the Order by ISPs.
- 4.53 In view of the above, **the Authority recommends that the website blocking process should be incorporated on the single window portal. The list of websites to be blocked should be communicated to the ISPs in their secure login via an instant notification. The provision for compliance submission by the ISPs should also be on the portal itself.**

B.3 Minimize compliance burden for ISP Category 'C'/VNO Category 'C'

- 4.54 As for every other authorization, UL guidelines prescribe a number of compliance reports, requirements to furnish information, security conditions and monitoring conditions specific to ISPs as well. These requirements are in addition to the general conditions mentioned separately in the UL guidelines.

Comments of the Stakeholders

- 4.55 Stakeholders, during OHD, have flagged that category 'A' ISPs have lot of resources in terms of manpower and finance. On the other hand, category 'B' and 'C' ISPs are sometimes managed by one person, that is, the entrepreneur only. He works as the owner, compliance officer as well as the technical person of the organization. But the compliance requirements and conditions for all these three categories are the same. Thus, the stakeholders urged that there should be light touch regulation for the category 'B' and 'C' ISPs so that small players may not feel the compliance burden.
- 4.56 One of the associations has commented that the way TRAI has given relaxation to ISPs (having subscribers less than 10,000 subscribers) by exempting them from reporting requirements. Similar relaxation should be extended to wireline segments having customers less than 10,000 in an LSA.

Analysis of the issue and views of the Authority

- 4.57 NDCP 2018 aims to accomplish many strategic objectives by 2022. One of the aims have been '*Provisioning of Broadband for All through Connect India, Propel India, Secure India*'. Basically, it is the category 'C' ISPs that

majorly contribute towards broadband proliferation in rural areas. These players become important from the perspective of providing last mile connectivity. It becomes necessary that smaller players are encouraged. Hence, the Authority feels that such condition should be made easier for them.

4.58 Government has taken initiatives to promote accessibility of internet in those towns, cities & villages where people have less access of internet. **Table 4.1** depicts the entry fee, PBG, FBG and processing fee prescribed for each category of ISP. The ISP Category 'C'/ VNO Category 'C' are subjected to a nominal fee when compared to the other category ISPs. But the license fee of 8% of AGR is the same for all categories of ISPs.

4.59 The clauses of UL guidelines under the requirement to furnish information, security conditions and the monitoring facilities remain the same for all categories. Some of these clauses include:

- a) Submitting a quarterly report indicating the details of ISP Nodes or Points of Presence (PoP) with their locations and number of broadband/leased/dial up subscribers. In case new nodes are to be installed, one-month prior notice is required to be given to the licensor.
- b) Provide the volume of internet telephony traffic flowing through its network to the licensor on regular basis.
- c) Maintaining Call Detail Record (CDR)/IP Detail Record (IPDR) for Internet including Internet Telephony Service for a minimum period of one year.
- d) Maintaining log-in/log-out details of all subscribers for services provided such as internet access, e-mail, Internet Telephony, IPTV etc. for a minimum period of one year.
- e) In the interest of national security or public interest, the Licensee shall block Internet sites/Uniform Resource Locators (URLs)/Uniform Resource Identifiers (URIs) and/or individual subscribers, as identified and directed by the Licensor from time to time.
- f) Setting up Lawful Interception and Monitoring (LIM) systems of requisite capacities by licensees for Internet traffic including Internet telephony traffic through their Internet gateways and/or Internet nodes at their own cost, as per the requirement of the security agencies/Licensor prescribed from time to time.
- g) The Licensee, while providing downstream Internet bandwidth to an Internet Service provider should ensure that all the traffic of downstream ISP passing through the Licensee's network can be monitored in the network of the Licensee.

4.60 Many of these compliances are being sought through emails. Some of such reports are to be submitted even on monthly basis. The Authority

understands that these requirements are important, since UL describes the way service provider must obligate while providing services, be it to maintain the necessary records or to set up LIM system. Amongst the various reports, as informed by stakeholders, ISPs have to submit monthly subscriber Report on Urban Rural, OFC (Optical Fibre laid) report, Village-wise presence report, IPv6 transition report, Point of Presence Report, Bandwidth, upstream downstream report, onetime compliance report like IPDR compliance report. The compliances should be through portal so that no email follow ups are required.

- 4.61 However, as rightly pointed out by the stakeholders, category 'C' ISPs are the smaller players with comparatively lesser capacity. But reach of internet coverage to every nook and corner of the country is essential. Reduction of compliance burden is the best way to strengthen & boost confidence of business owners. Thus, the Authority is of the view that the category 'C' ISPs should be relaxed by easing the compliance requirement without compromising the scope of such conditions.
- 4.62 The Authority is of the view that frequency of the requirements should be reduced. DoT should review to simplify the terms and conditions of License Agreement for Unified License for ISP Category 'C'/ VNO Category 'C', wherever possible without dissolving the intent. This small yet effective step will enable business cases viability for license holders of Category C.
- 4.63 Further, all the submissions should be digitized. For this purpose, there should be a module in the existing portal of DoT dedicated for reporting requirements in a very simple and understandable manner for these players. This module should be easy to access, with step-by-step user manuals. Not only through the portal, but a simple app should also be designed for submitting compliances. This will ensure ease to the service providers while maintaining the compliances required by the licensor.
- 4.64 Accordingly, **the Authority recommends that DoT should review and create an easy-to-use module in the portal with reduced compliance burden for Category 'C' Internet Service Providers under UL and UL-VNO for submission/ fulfilment of the requirements specified in the UL Agreement.**

- i. Requirement to auditing of quarterly statements for License Fee

- 4.65 The clause 20.6 under Chapter III: Financial Conditions of the UL guidelines states that:

“The quarterly payment shall be made with an affidavit as at Annexure-A of the respective Chapter of service authorization together with a STATEMENT OF REVENUE SHARE AND LICENSE FEE separately for each service and service area in the Proforma prescribed at Appendix-II to Annexure-A of the respective chapter of the service, showing the

computation of revenue and License fee payable. The aforesaid quarterly STATEMENTS of each year shall be required to be audited by the Auditors (hereinafter called Licensee’s Auditors) appointed by the Licensee under Section 224 of the Companies’ Act, 2013. The report of the Auditor should be in the prescribed form as per Appendix-I to Annexure-A of the respective Chapter of service authorization.”

Stakeholders have demanded that DoT should accept self-certified statements instead of affidavits for small ISPs to minimize compliance.

- 4.66 The clause mandates that the quarterly payment should be made with an affidavit and should be audited by the auditors. The Authority is of the view that requirement of affidavit and audit poses a burden on Category ‘C’ ISPs under UL and UL-VNO. As already discussed in Chapter II, affidavits in existing guidelines should be replaced by self-certificates statements/ accounts. The statement audited by the auditors should be sought annually, instead on quarterly basis.
- 4.67 **Apropos, the Authority recommends that for Category ‘C’ Internet Service Providers under UL and UL-VNO, requirement of submitting quarterly statement of revenue share and license fee audited by the Auditors should be replaced by the submission of self-certified statements/ accounts. The Government should seek audited accounts and statement annually.**

B.4 Issue of License Fee and Net-worth for ISPs

Comments of the Stakeholders

- 4.68 Some stakeholders mentioned that net-worth criteria should be introduced for ISPs to ensure entry of only serious players in the sector. As per them, absence of such criteria allows players without adequate capacity of provisioning quality broadband services and exposes consumers to security risks. The net-worth criteria for each category proposed by the industry stakeholders is shown in **Table 4.1**.

Table 4.1: Net worth criteria for ISP suggested by stakeholders

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

- 4.69 Stakeholders of the TV distribution sector have commented that ISPs should be exempted from paying LF since they place their own infrastructure at their expenses for broadband services and are not using any state or central resources. Two other stakeholders are of the opinion that LF should be exempted for next five years to achieve broadband proliferation objectives.

Analysis of the issue and views of the Authority

4.70 The Authority has noted that presently, there is no net-worth criteria mentioned for ISPs, however, a non-refundable entry fee of Rs 30 lakh (~USD 37 thousand) for category A, Rs. 2 lakh (~USD 2.4 thousand) for category B and Rs. 20,000 for category C is applicable. Also, BGs and application processing fee are also applicable for the new entrants, as tabulated in **Table 4.2**. Moreover, in any regulatory regime the purpose of evaluating net-worth is to assure the registration authority that the public or scarce resources if any, granted, will be used efficiently.

Table 4.2: Fees and BGs applicable to different ISP categories

Service	Entry Fee	PBG	FBG	Processing Fee
ISP 'A' (National Area)	Rs. 30 lakh (~USD 37 thousand)	2 cr (~USD 244 thousand)	10 lakh (~USD 12 thousand)	Rs. 50,000
ISP 'B' (Telecom circle/ Metro Area)	2 lakh (~USD 2.4 thousand)	10 lakh (~USD 12 thousand)	1 lakh (~USD 1.2 thousand)	Rs. 15,000
ISP 'C' (SSA)	20,000	50,000	10,000	Rs. 10,000

4.71 Since ISPs are also Licensees under UL and hence, are subjected to license fee as 8% of AGR. Further, it has been seen that many of the ISPs have converted themselves to VNOs to take advantage of pass through. The Authority is of the view that the issue of net worth criteria and exemption of license fee are policy matters and outside the scope of EoDB. TRAI's recommendations on 'Roadmap to promote broadband connectivity and enhanced broadband speed' dated 31st August 2021⁵⁶ has already recommended for providing incentives for eligible licences in the form of license fee exemption for proliferation of fixed line broadband. DoT may appropriately consider these recommendations while making policy changes.

C. Issues related to Infrastructure Provider Category-I (IP-I)

4.72 The Infrastructure Providers provide and maintain assets such as dark fibre, right of way, duct space and towers on lease/rent/sale basis to the licensees of telecom services on mutually agreed terms and conditions.

⁵⁶ https://www.trai.gov.in/sites/default/files/Recommendations_31082021_0.pdf

As on 30th September 2022⁵⁷, there are 1346 IP-I registered companies in the country. The registration process is now available in the SaralSanchar portal of DoT.

Comments of the Stakeholders

- 4.73 Majority of the comments in respect of Q3 for infrastructure providers are to make this process online (since the process was offline at the time of issuance of the Consultation Paper) with well-defined timelines along with query system in place. The timeline for processing of application should be reduced to 15-21 days from current 35 days with deemed approval if not rejected or objection raised for any correction. Yet another view of a stakeholders is that the existing process of granting IP-I registration is fine and no further change is required.
- 4.74 One of the infrastructure providers has submitted that the current process of business registration on NSWS portal is bit complicated as it caters to many businesses. In this regard, they have requested that online application format for registration process should be kept simple.
- 4.75 The stakeholder has also commented that IP-Is should be allowed to install and own active infrastructure equipment without any need to get license for the same. Further, IP-I should be allowed to share the infrastructure with any valid license/ registration holder from any Ministry including DoT/ MIB/ MeitY who are engaged in providing any kind of digital services to the end user, in a non-discriminatory manner.
- 4.76 The other concerns of the infrastructure providers are related to electricity supply that it should be provided to them on industrial rates rather than commercial rates, new connections to be provided on priority and smart meters to be deployed. These issues are covered in the chapter dealing with Ministry of Power.

Analysis of the issue

- 4.77 After analysing the comments, it is felt that the primary requirement is to make IP-I registration online, since the process was offline. In June 2022, link for registration pop-up is provided on SaralSanchar portal which redirects to NSWS portal⁵⁸. However, recently it has been seen that the process of IP-I registration is now available on SaralSanchar portal. So, the issue of stakeholders of the process not being online should be resolved.
- 4.78 The NDCP-2018, in its strategy for establishing a '*National Broadband Mission-Rashtriya Broadband Abhiyan*' to secure universal broadband

⁵⁷ https://dot.gov.in/sites/default/files/List%20of%20IP%20-I%20Registred%20company%20as%20on%2030%20Sept%202022_0.pdf

⁵⁸ <https://www.nsws.gov.in/portal/approvaldetails/registration-of-infrastructure-providers-category-i-ip-i>

access, envisages enhancement in the scope of Infrastructure Providers. The relevant clause 1.1 (f) of the policy is reproduced below:

“Encourage and facilitate sharing of active infrastructure by enhancing the scope of Infrastructure Providers (IP) and promoting and incentivizing deployment of common sharable, passive as well as active, infrastructure.”

4.79 Regarding owning and sharing of infrastructure, the Authority had already undertaken a detailed examination and is of the view that the scope of IP-I registration should be enhanced. Deployment of common sharable, passive as well as active infrastructure should be promoted. Accordingly, the Authority vide its recommendations on ‘Enhancement of Scope of IP-I Registration’ dated 13th Mar 2020⁵⁹ has recommended that:

- a. *Any service provider who has a valid authorization from the Government of India to establish, maintain, and work a telegraph to deliver Telecommunication Services, within any part of the country, shall only be eligible to obtain such a telegraph infrastructure on lease/rent/purchase basis from IP-I registration holder. Hereinafter these service providers have been referred to as eligible service providers.*
- b. *The expanded scope of the IP-I registration should include to own, establish, maintain, and work all such infrastructure items, equipment, and systems which are required for establishing Wireline Access Network, Radio Access Network (RAN), and transmission links. However, it shall not include core network elements such as Switch, MSC, HLR, IN etc. The scope of the IPI Registration should include, but not limited to, Right of Way, Duct Space, Optical Fiber, Tower, Feeder cable, Antenna, Base Station, In Building Solution (IBS), Distributed Antenna System (DAS) etc. within any part of India.*
- c. *The IP-I registration holder should be authorised to provide only such infrastructure items, equipment and systems on lease/rent/sale basis to an eligible service provider for which that Service Provider has an authorization from the Government of India, and to provide such infrastructure items, equipment and systems on mutually agreed terms and conditions to eligible service provider in fair, reasonable and non-discriminatory manner.*

4.80 These recommendations were however not accepted by the Government. Moreover, DoT sent a reference on 11th August 2022 to TRAI for creating a new category of license namely ‘Telecom Infrastructure License’ and sought recommendations on the terms and conditions for such licensing.

⁵⁹ https://www.trai.gov.in/sites/default/files/Recommendations_13032020.pdf

TRAI has issued a Consultation Paper on the subject matter on 09th February 2023.⁶⁰

4.81 Regarding the timelines, the Authority has noticed that the guidelines for IP-I registration state that:

“The applicant company shall be informed of the approval or rejection of the application as far as practicable within 15 days of submission of the application.”

4.82 However, stakeholders have informed that generally IP-I registration takes a month’s time. The Authority believes that with the online portal, DoT should provide IP-I registration within the timelines as prescribed in the guidelines.

C.1 Measures for promoting small and medium infrastructure providers

4.83 In the consultation paper, another question (Q4) was raised to solicit measures to be taken to promote small and medium telecom infrastructure providers.

Comments of the Stakeholders

4.84 In response, some of the stakeholders suggested that licensing and financial conditions should be kept minimum for small and medium infrastructure providers who are financially not very strong. Further, financial support should be provided to encourage them to create their infrastructure and maintain quality of services.

4.85 Another service provider has commented that a considerable fraction of the small and medium IP-I providers is oblivious to industry practices and the modifications in regulatory framework. So, it is appropriate that authorities conduct regular workshops and seminars for such stakeholders for educating them about the dynamic industry practices and the applicable regulatory framework.

4.86 One more service provider has submitted that DoT should create a database with updated region-wise telecom infrastructure/ capacity providers details, which can be accessed online, and the respective IP can be contacted by any prospective TSPs or MSO or Government agency for sharing or hiring of the infrastructure.

Analysis of the issue

4.87 In this matter, it is relevant to note that the list of IP-I registered companies is uploaded by DoT on its website from time-to-time which contains the details of the IP-I providers like registration number, address and contact details. Therefore, the Authority reckons that the details provided on the website are sufficient for TSPs or any other entity authorized for sharing or hiring of the infrastructure to contact the

⁶⁰ https://tra.gov.in/sites/default/files/Consultation_Paper_09022023.pdf

desired infrastructure providers. However, the same should be available on the SaralSanchar portal as well for better access to service providers.

4.88 The Authority is of the view that awareness should be provided to such small and medium Infrastructure Providers through various initiatives by DoT via its LSAs from time to time.

D. Permissions for Cable Landing Station (CLS) and laying and repair of submarine cables

4.89 Submarine cables form the basis of modern telecommunications and the global Internet connectivity. These cables carry about 99% of communication data across the world by using fibre-optic technology. The United Nations General Assembly (UNGA) has described submarine cables as ‘Critical Communications Infrastructure’.

4.90 In the global submarine cable network, India is located at a strategic and geographically significant position, where every cable system that connects Europe and Southeast Asia inevitably needs to transit. Therefore, the installation, maintenance and repair of cable network around the Indian coastline, both in Indian Territorial Waters and Exclusive Economic Zones (‘EEZ’), are crucial for global economy and growth of Indian economy.

4.91 Submarine cables are often susceptible to damage by accidental and malicious threats, leading to costly, widespread communication disruption. Timely repairs are therefore critical, maintenance providers and cable ships must be prepared to respond rapidly, with stand-by vessels, qualified personnel and appropriate equipment. The repair and installation of submarine cables is highly sophisticated and requires technical expertise. Special cable laying/ repair vessels are required to be deployed at the site of fault location for repair or installation. However, cable vessel and expertise required is not available in India. The international agencies/ firms managing the submarine cable networks engage foreign expertise manpower and foreign cable laying/ repair vessels for undertaking such activities.

4.92 Faults in cable communications should be mitigated instantly to ensure business continuity. However, in India, the process for permission of laying and repair of the submarine cables is considered cumbersome. To address this, the Authority raised the following questions to seek suggestions from the stakeholders for improving the present system of Operations and Maintenance (O&M).

Q5. Please provide your response with suggestions to improve the present system of operations and maintenance of the undersea cable network in respect of:

- a. *What procedure should be followed to facilitate O&M agencies for smooth operations and maintenance of undersea cables/cable networks and restoration of faults within a definite timeline?*
- b. *What additional support is needed in terms of import and export of equipment, measurement tools and accessories etc., vessel conversion and various other clearances for expediting repair and operations of submarine cables by ship/vessel at cable landing station within Indian maritime zones?*

Q6. *Please suggest changes needed to simplify the following clearance/ permit procedures by various Government Authorities:*

- a. *In-transit permits*
- b. *Pre-repair permits*
- c. *Post-repair permits*

Provide your suggestions for each activity separately.

D.1 ‘Critical and Essential Services’ status

Comments of the Stakeholders

- 4.93 Some of the stakeholders have submitted that cable laying services should be considered ‘Critical and Essential Services’ with an inbuilt priority for ‘Permits-In-Principle’ and clearances from Government agencies. They have cited an example that an Essentiality Certificate (EC) is issued to offshore sector vessels engaged in Oil exploration projects by DGH (Ministry of Petroleum & Natural Gas) to grant this ‘Critical and Essential Services’ status. In the same way, issuing such certification to submarine cables will boost submarine cable infrastructure and will considerably enhance international connectivity and hence the Indian economy.

Analysis of the issue and views of the Authority

- 4.94 The Authority agrees with the fact that multiple approvals from several departments are required with no timelines defined, which delays the repair. Such a delay impacts the business continuity of ILD operators and affects the internet connectivity. However, it is prudent to mention here that these approvals are designed, keeping in mind the aspect of national security, which cannot be compromised.
- 4.95 The Authority understands that cable sea is a big highway, and the country’s vulnerability arising out of the cable faults is considerably high. In order to cut the lead time in permissions and approvals, the Authority is of the opinion that it is appropriate to classify cable laying and repair services as ‘Critical and Essential Services’. Clearances and approvals for submarine cable laying and repairing should be treated on ‘Top Priority’ as it forms the backbone of ‘Digital India’ mission.

- 4.96 Accordingly, **the Authority recommends that Submarine cable laying and repair in Indian Territorial Water and Exclusive Economic Zones (‘EEZ’) of India and Cable Landing Stations in India should be classified as ‘Critical and Essential services’. It should be given ‘Top Priority’ for obtaining necessary permission and security clearances from the ministries/ departments/ agencies involved.**

D.2 Single Window System

Comments of the Stakeholders

- 4.97 Service providers and associations have suggested that single window clearance should also be introduced on SaralSanchar portal for cable laying and repair approvals. Stakeholders have commented that various departments and agencies are involved in the process of getting permits for laying and repair. Each department takes time in providing the approval. Typical time taken by each department/ agency provided by a service provider is mentioned in **Table 4.3**.

Table 4.3: Permits required for cable laying and repair

S.No.	Permit	Authority	Time Taken
1.	MHA Clearance for Foreign crew members	MHA, routed through DoT	Minimum 3-4 months
2.	MOD Clearance for vessels	MOD, routed through DoT with RSEE form	Approx. 2-3 months
3.	SPL (INSA Clearance is pre-requisite)	DG Shipping	Minimum 4 to 5 working days
4.	NED (Non-Employee Duty Pass) clearance from ONGC	ONGC/ILD (Indian Landing Party)	2 to 3 working days
5.	Navigational Warning (NAVAREA) clearance	Indian Navy/HQ ODAG and DG Shipping	10 to 15 working days
6.	Naval Security Clearance (NSC)	HQ ODAG/Navy	2 working days
7.	ONGC NOC	ONGC	15 to 20 working days
8.	Customs - Vessel Importation	Indian Customs/CBEC (Ministry of Finance)	5 to 10 working days
9.	Customs - Vessel Conversion	Indian Customs/CBEC (Ministry of Finance)	2 to 3 working days
10.	Vessel re-export & reversion to Foreign going status	Indian Customs	1 to 2 working days
11.	Port Clearance	Indian Customs	

- 4.98 A service provider, as an instance has shared that Indian International Long Distance Operators (ILDOS) experienced 30 submarine cable faults in the month of June 2022 in various regions. Average marine repair time was ~102 days in Indian waters. Whereas other regions generally take time less than 40 days or 60 days in worst case. The main reason is the delay while obtaining the necessary permissions from different departments for conducting such repairs. Thus, timelines for such approvals should be prescribed with provision of deemed approval.
- 4.99 They have further commented that Ministry of Defense (MoD) & MHA application process has moved online through a separate portal since the past year, but the portal doesn't support bulk uploading. MHA applications, for instance, require details of each crew member (up to 350 members) to be entered in the online form along with documents. This could be simplified by introducing bulk uploading facility. MoD & MHA approval should be provided within two months. They have further commented that validity of MoD approval should be increased from six months to one year.
- 4.100 Due to the critical nature of submarine cables, vessels are required to be on standby at Home Depot to attend repair call in the region within 24 hours. To shorten the time for carrying out repairs, applications for clearances from MHA for crew members and MoD for vessels/ ships are made well in advance for any cable fault. Thus, stakeholders have requested that MHA and MoD clearances should have auto-renewal facility. Moreover, TSP should only be required to notify and seek approvals for changes in the crew members, on an ongoing basis. Also, the option of taking approval for incremental changes should be considered.

Analysis of the issue and views of the Authority

- 4.101 The Authority has noted that, at present, setting up a new cable landing station in India is quite complex. It should be made simple and time-bound to allow international investors to invest in India. There is an immediate need for conceptualizing and implementing an online single window clearance to get these permissions. An end-to-end simplified procedure for the O&M of the undersea cable which includes permission for the ships to land, the import of equipment, measurement tools, etc. is required.
- 4.102 The said single window system should integrate all ministries and departments involved in clearances (i.e., Whole of the Government approach). It can be materialized with the active collaboration of the concerned Ministries and organizations such as Defence, Home Affairs, Navy, Customs, Shipping, Petroleum and others. Further, for each

clearance, a rational timeline should be prescribed and followed to expedite the overall approval process. Such timelines should be clearly available on the single window portal.

4.103 Besides, online applications for seeking MoD and MHA clearance are only routed through DoT. The onus of obtaining the remaining approvals from other ministries lies with ILDOs. The Authority is of the view that DoT should act as a nodal agency. DoT should coordinate with the concerned ministries and prescribe timelines.

4.104 Additionally, DoT has issued a letter dated 27th May 2022⁶¹ based on O.M. of MoD dated 12th May 2022 to all ILDOs. Through this, the validity of MoD clearance is extended from six months to one year or duration of the contract/ the period sought, whichever is less. The Authority appreciates this step which is in line with the demand of the stakeholders.

4.105 Accordingly, **the Authority recommends that:**

- a. Permissions of laying, operations and maintenance of submarine cables network should also be made online as a part of SaralSanchar portal. Rational timelines for each clearance should be defined. The portal should be well-integrated with all the ministries/ departments/ agencies involved. An option for bulk uploading of aggregate documents should be provided.**
- b. DoT should be the nodal agency for ensuring faster and time-bound grant of permissions by appropriately coordinating with the concerned ministries/ departments/ agencies.**

D.3 Defining special corridor

Comments of the Stakeholders

4.106 Submarine cables are prone to cable faults due to fishing and anchoring activities in areas of shallow waters (<1000m water depth) near the shore. It results in high cost of repair with long service outages. Thus, the stakeholders have requested the Government to define and declare special corridors for submarine cable laying in shallow waters near shore. They have mentioned that countries like Singapore, Indonesia, Djibouti, etc. that have well defined submarine cable corridor rarely face any Cable cut near the shore end.

Analysis of the issue and views of the Authority

4.107 Cable protection zones and corridors prohibit specific activities which pose risks to submarine cables, including fishing, anchoring, and dredging within fixed geographic areas. These zones protect submarine

⁶¹ <https://dot.gov.in/extension-time-period-mod-clearance-present-6-months-1-year>

cables. Corridors require submarine cable operators to route their infrastructure in defined geographic areas. The most effective way of reducing cable cuts is closely monitoring them through cable corridors. Planned cable installations should be well integrated into marine protected areas and fishing prohibited zones.

4.108 However, cable corridors also pose some disadvantages⁶².

- a. Such corridors are likely to be narrow and therefore provide insufficient spatial separation from other submarine cables for installation and maintenance,
- b. Leads to geographic clustering which magnifies the risk that a single natural or man-made event could damage multiple cables or even CLS. This might impair the continuity of communications on particular geographic routes, and
- c. They limit landing options to particular coastal points, which might be inconveniently located with respect to terrestrial backhaul networks and customers.

4.109 However, the Authority has found instances, where some countries have declared corridors⁶³. In Phillipines, the Luzon Bypass Infrastructure (LBI) is made up of two cable landing stations and a 250 km long cable network corridor connecting the two cable landing stations. In Egypt, TE Transit Corridor (or Trans-Egypt) infrastructure, comprises the terrestrial infrastructure linking the Red Sea to the Mediterranean Sea, over multiple diverse and redundant routes. Additional terrestrial routes over the Sinai Peninsula add to the unique resilience of the TE Transit Corridor and favorable submarine cable build economics by avoiding shallow waters. Djibouti is a significant location for submarine cables running through the Asia, Africa and Europe corridor or connecting the East Africa.

4.110 It may be noted that India has a vast coastline in length. The location of Indian peninsula is strategic in respect to providing submarine cable connectivity from South-East Asia to Africa, Middle East and Western Europe. The route of submarine cable and the cable landing station is decided after doing extensive Desk Top Study of the potential routes. Therefore, flexibility should be available to the telecom operators to choose and decide the CLS location as per their techno-commercial considerations.

4.111 The Authority is of the view that, considering the various advantages and disadvantages of the special corridors, DoT should create a committee. The committee should have the representatives from ILDOs, DoT,

⁶² https://transition.fcc.gov/pshs/advisory/csrc4/CSRIC_IV_WG8_Report1_3Dec2014.pdf

⁶³ <https://www.submarinenetworks.com>

Directorate General of Shipping, ONGC, Indian Navy and Department of Fisheries. The committee should review the international best practices and feasibility in Indian marine context. The pros and cons of implementing such corridors should be evaluated and an efficient solution should be arrived at to prevent the cable cuts. The existing Cable Landing Stations and associated routes, especially at Mumbai and Chennai may be considered by the said proposed Committee for declaring them as special corridors in order to avoid cable damages.

- 4.112 Accordingly, **the Authority recommends that DoT should constitute a committee comprising of representatives from ILDOs, DoT, DG Shipping, ONGC, Indian Navy and Department of Fisheries. The committee should review the international best practices and feasibility for identifying and declaring special corridor in Indian marine context. The existing Cable Landing Stations and associated routes, especially at Mumbai and Chennai may be considered by the said proposed Committee for declaring them as special corridors to avoid cable damages.**

D.4 Co-ordination with the Fishery Department

Comments of the Stakeholders

- 4.113 Stakeholders have mentioned that high cable cut incidents occur due to fishing activity in Indian territorial waters. Presently there is no co-ordination between the CLS owning ILD Operators (ILDOs) and Department of Fisheries. Due to this, they have suggested that guidelines should be issued to establish a channel for information sharing between ILDOs and fishing entities. Cable routes should be clearly demarcated as no-fishing zones. Route Position Locator (RPL) coordinates details should be shared by TSPs with Fishery Department for this purpose.

Analysis of the issue and views of the Authority

- 4.114 The Authority agrees with the stakeholders. Internationally also, to reduce anchoring and fishing-related risks, the North American Submarine Cable Association (NASCA)⁶⁴ regularly shares RPL data with commercial fishermen and Government agencies. In some jurisdictions, such as Australia and New Zealand, the Government themselves disseminate cable route information and liaise directly with the fishing and maritime industries. Also, in an analysis report⁶⁵ on ‘Security threats to undersea communications cables and infrastructure –

⁶⁴ https://transition.fcc.gov/pshs/advisory/csric4/CSRIC_IV_WG8_Report1_3Dec2014.pdf

⁶⁵

[https://www.europarl.europa.eu/RegData/etudes/IDAN/2022/702557/EXPO_IDA\(2022\)702557_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/IDAN/2022/702557/EXPO_IDA(2022)702557_EN.pdf)

consequences for the EU', it is emphasized that the most effective way of protecting cables is through cable corridors that are closely monitored. There is a high potential for synergies with ocean policies and marine environmental protection. Planned cable installations could be well integrated into marine protected areas and no-fishing zones.

- 4.115 On similar lines, the Authority believes that the submarine cable routes should be clearly demarcated. DoT may consider mandating ILDOs owning CLS for submarine cables terminating in India to share details of the zones and/ or the RPL coordinate of submarine cable up to at least Indian Territorial Water and 'EEZ' with the Department of Fisheries, through DoT's single window portal. This will enable the Department of Fisheries to instruct the fishing entities to avoid fishing activities in such demarcated routes to minimize cable cut incidents.
- 4.116 Accordingly, **the Authority recommends that DoT may consider mandating the International Long Distance Operators (ILDOs) owning cable landing station for submarine cables terminating in India to share details of the zones and/ or the Route Position Locator (RPL) coordinates of submarine cables at least up to Indian Territorial Water and Exclusive Economic Zones ('EEZ') with the Department of Fisheries.**

D.5 Other comments

Comments of the Stakeholders

- 4.117 Stakeholders have suggested that the Indian Customs should waive the requirement of importation of vessel and the Customs duty. The vessel being very specific and distinctive will always move out of Indian waters once the repair/ installation is completed. Requirement of vessel conversion from international run to costal run should be exempted as the vessel's stay in Indian territorial waters is limited.
- 4.118 A few associations and service providers have stated that the Indian Customs department should not extend the Indian territorial water limits from 12 nautical miles (nm) to 200 nm. They have further said that almost 100% of all cable repairs occur within 150 km of the shore end in the 'EEZ' waters. An extension of Indian territorial water limits from 12 nm to 200 nm by the Indian Customs department will be detrimental for all cable repairs.
- 4.119 Some stakeholders have commented that facilities like exemption of goods and services from Customs Duty & IGST on vessel should be extended to submarine cable repair related activities. Charging of Customs Duty and GST only for the goods used during the repair on the repair ship thereby easing the complicated drawback process on re-exporting of the repair ships.

Analysis of the issue

- 4.120 In terms of the exemption of GST from Customs Duty & IGST on the vessel and the need to waive the requirement of vessel importation, the Authority is of the opinion that it is a policy related matter.
- 4.121 Further, TRAI has released a consultation paper on 'Licensing Framework and Regulatory Mechanism for Submarine Cable Landing in India' on 23rd December 2022⁶⁶. This paper is based on a reference from DoT seeking TRAI recommendations on licensing framework and regulatory mechanism for submarine cables landing in India within existing UL-ILD/ standalone ILD license. Further, the Authority has also *suo-moto* identified some of the issues of submarine cables such as (i) Need of Indian vessel for submarine cable operation and maintenance (ii) Domestic submarine cable between two or more cities on the coastline of India (iii) Stub-cables – new concept of placing pre-laid “dark fiber” from the CLS through Beach Manhole (BMH) into the territorial waters for upcoming new cables (iv) Terrestrial connectivity between different located Cable Landing Stations which are discussed in the paper. The said consultation will deal with all such policy related matters mentioned by the stakeholders.

E. Numbering Resource Allocation Mechanism

- 4.122 The allocation and management of numbering resources is governed by the National Numbering Plan, 2003. The numbering plan is one of the fundamental plans along with switching, routing, transmission, charging, and synchronization plans that govern the functioning of telecommunications' networks.

Comments of the Stakeholders

- 4.123 The stakeholders have suggested that the allocation process should be automated and handled by DoT. They are of the view that an online, automated allocation of numbering resources (Fixed-Line, Mobile, M2M) should be introduced. A number management system software should be used to speed up the process of allocation, making it both efficient and transparent.
- 4.124 Stakeholders have submitted that the allocation process should be automated and handled by DoT. At present, there are no timelines and in certain instances the administrative approvals for allocation of number resources take a considerable amount of time. Thus, a time-bound process for allocation of numbering resources is suggested.
- 4.125 Some other service providers have submitted that the current criteria for allocating numbering resources for both wireless and wireline services is

⁶⁶ <https://traai.gov.in/consultation-paper-licensing-framework-and-regulatory-mechanism-submarine-cable-landing-india>

very stringent and cumbersome, involving physical audit and certification by DoT LSA units.

Analysis of the issue and views of the Authority

- 4.126 This issue was raised during previous consultation processes. The Authority has made thorough analysis and in its recommendations on 'Efficient Utilization of Numbering Resources' dated 20th August 2010⁶⁷ has recommended an automated allocation of numbering resources. This was accepted by DoT, however, not implemented.
- 4.127 Furthermore, considering the significance of such automation in the sector, the Authority in its recommendations, 'Ensuring Adequate Numbering Resources for Fixed Line and Mobile Services' dated 29th May 2020⁶⁸, has again recommended that *an automated allocation of numbering resources using number management system software may be introduced to speed up the process of allocation in an efficient and transparent manner. If needed, this work may be outsourced with overall control and supervision of the DoT.*
- 4.128 It is evident that an online provision for allocation and management of numbering resources is important from the perspective of EoDB. Additional numbering resources can be created for mobile services by freeing up the unutilized and underutilized fixed service numbering levels. This will make large chunk of number series available for allocation. The entire process of numbering resources allocation including physical audit and certification by LSA units should be made online to expedite the process of number allocation. Further, definite timelines should be prescribed for each stage of the numbering allocation process.
- 4.129 In line with this, the Authority has noted that vide O.M. on 31.01.2023⁶⁹, DoT has decided to introduce a new online module i.e., Numbering Resource Management System (NRMS) in SaralSanchar Portal. The application submission, processing of application, submission of certificates by LSAs and allocation of numbering resources by DoT HQ is made online. The O.M. further states that MSC codes, wireline codes and M2M codes shall be allocated through NRMS modules to licensees. The Authority believes that this will enable EoDB. However, timelines for this process is not prescribed by DoT. Thus, the Authority is of the view that stage-wise timelines should also be prescribed for the process of numbering resources allocation.

⁶⁷ https://www.trai.gov.in/sites/default/files/10Aug_Recommendation_20Aug10.pdf

⁶⁸ https://www.trai.gov.in/sites/default/files/Recommendations_29052020.pdf

⁶⁹ <https://dot.gov.in/sites/default/files/Saral%20Sanchar%20Portal.pdf>

4.130 In view of the above, **the Authority recommends that stage-wise timelines should be prescribed by DoT for the process of numbering resources allocation.**

F. Electro-Magnetic Frequency (EMF) Compliance

4.131 To ensure that all Base Transceiver Stations (BTSs) deployed in the telecom network are compliant with the prescribed EMF radiations' reference limits, TSPs are mandated to test every BTS and provide self-certification for meeting the radiation norms. DoT and TSPs in partnership have implemented National EMF Portal (NEP)⁷⁰ where all the relevant details of the site including radiation are updated by the TSPs. DoT has also launched 'Tarang Sanchar'⁷¹, a web portal for information sharing on mobile towers and EMF emission compliances, available for general public. The portal has the complete collated technical details of BTSs spread across the country.

Comments of the Stakeholders

4.132 Many stakeholders have expressed that self-certificates are required to be submitted for all the BTSs installed. According to them, the requirement for these EMF self-certificates should be done away with. The entire data is present on Tarang Sanchar portal, and the information is up to date. In fact, for submitting self-certificates, the information is fetched from the portal itself. Thus, there is no need for this additional effort when ready information is already available in the portal.

4.133 Stakeholders have also pointed out some concerns in the NEP portal. The updation process is complex, with lot of elements having no correlation to the objective. They have provided a few examples:

a) For every site, TSPs have to update panoramic photos, site layouts, north direction markings, photos of signages, location of towers and generators. These requirements have no relevance to the EMF radiation norms. Penalties are imposed for missed north marking, panoramic photo unavailability/ repeat, even though these are purely procedural issues.

b) While NEP ensures that radiation norms cannot be breached at a multi-tenancy site, if even one TSP upgrades the site, all the other TSPs, without even modifying anything, are mandated to submit self-certificates in addition to the upgrading TSP.

4.134 Most of the stakeholders agreed that the current audit sample percentage of 10% of sites every year should be reduced. The sample percentage was issued in 2010, when there were far lesser number of BTSs. The quantum of percentage to be reduced as proposed by

⁷⁰ <https://neponline.in/NepPortal/singlelogin/>

⁷¹ <https://tarangsanchar.gov.in/emfportal>

stakeholders is varying. One stakeholder suggested a sample percentage of less than 5% of the sites to be audited; some suggested to reduce it to 1%; two others requested to reduce it to 3%; one another stakeholder suggested that it should be reduced to 0.1% or a maximum of 100 sites with an average audit of 2~3 sites per day.

- 4.135 Regarding the penalty for non-compliance, TSPs commented that penalty should not be levied on technical grounds but only for cases that exceed prescribed thresholds for EMF. Technical parameters like site layout, north marking etc. do not affect the EMF limits.
- 4.136 Further, two associations and a service provider are of the view that testing fees for conducting audits should be removed. The testing fee has been increased from Rs. 4000 to Rs. 8000/- per site. According to them, it is not fair that the TSPs should pay fees to get their own sites audited.

Analysis of the issue and views of the Authority

- 4.137 The Authority agrees with the comments of stakeholders. Earlier, the number of sites were significantly low as compared to today's scenario where sites have increased multifold and are set to increase further with implementation of 5G services. Therefore, the Authority is of the opinion that the physical audit of 10% site is an arduous requirement. In this context, it has been noticed that DoT has revised the sample size vide its letter dated 03rd November 2022.⁷²
- 4.138 Accordingly, DoT vide its letter dated 3rd November 2022⁷³ has stated the LSA units of DoT will now test annually upto 5% of the total BTS (new and existing sites) randomly at their discretion. Thus, the testing sample is reduced from 10% to 5%.
- 4.139 Further, the Authority is of the view that some of the information that is required may be extraneous. Hence, DoT should review the existing process of such redundant compliances and seek only the relevant information from the service providers.
- 4.140 Both the penalty and testing fees are policy matters which is beyond the scope of EoDB.
- 4.141 In consultation paper, a question was raised in respect to measures to safeguard public interest and building confidence in public against propaganda of hazardous EMF radiations in field, to which, many of the measures were proposed by TSPs and few associations. One of the duties of Licensing Compliance & Rural (LC&R) vertical of DGT is to conduct

⁷² <https://dot.gov.in/sites/default/files/letter%20dated%2003-11-2022.?download=1>

⁷³ <https://dot.gov.in/sites/default/files/letter%20dated%2003-11-2022.>

EMF awareness workshops⁷⁴. The Authority is of the view that more awareness should be created amongst the general public regarding EMF radiation.

- 4.142 Apropos to above, the Authority recommends that **the format for self-certification of EMF compliance should be reviewed keeping only those details that are absolutely necessary.**

G. Surrender of License

Comments of the Stakeholders

- 4.143 One service provider and an association have submitted that the process of surrender of license and issuance of NOC should be made time bound and efficient. Stakeholders have mentioned that this whole process takes over 2 years. Release of BGs associated with the license should also be made timely. Final assessment should be ensured every year, so that new demand for license fees won't get raised at later stage. A stakeholder has commented that since winding up of TSPs that does not hold spectrum, only NCLT process should be sufficient without DoT approval.

Analysis of the issue and views of the Authority

- 4.144 The clause 10.3 of Unified License states that:

“Licensee may surrender the License or any service authorization under this License, by giving notice of at least 60 Calendar days in advance. In that case it shall also notify all its subscribers by sending a 30 Calendar days notice to each subscriber. The Licensee shall pay all fees payable by it till the date on which the surrender of the License/Service authorization becomes effective. The effective date of such surrender shall be 61st Calendar days counted from the date of receipt of such notice by the Licensor, if it is not rejected by the Licensor within 30 days of date of receipt of the notice.”

- 4.145 Further, the Citizen Charter of DoT⁷⁵ prescribes a timeline of 60 days after receiving necessary clearance to issue of cancellation of Internet license. The Authority is of the view that the importance given while issuing permissions for establishing a company should also be provided during its closure. There should be an easy exit policy to smoothly terminate business. The process of acceptance of the surrender and issuance of NOC should be made time-bound and efficient. Further, the release of bank guarantees associated with the surrendered license should also be made time-bound. Well-defined timelines should be defined for NOC and release of BGs after notice for surrender is given by the Licensee.

⁷⁴<https://dot.gov.in/sites/default/files/Revised%20Charter%20of%20Duties%20of%20DGT%20HQ%20Vertical%20OM.pdf>

⁷⁵ https://dot.gov.in/sites/default/files/2018_09_07%20Modified%20Citizen%20Charter.pdf

4.146 Regarding the comment, that only NCLT decision is sufficient is not agreeable by the Authority. NCLT approves merger of companies, whereas DoT as a Licensor has to ensure all necessary obligations are met and the company has safeguarded the interest of subscribers. Thus, NOC from DoT is necessary.

4.147 Accordingly, **the Authority recommends that the process of surrender of license, issuance of No Objection Certificate (NOC) and release of Bank Guarantees to the service providers should be made simple, online and time-bound.**

H. Other issues

4.148 One association has submitted that the existing restriction of public network not to be connected with leased circuits/ CUGs should be removed from the ILD/ NLD license in line with NDCP 2018 and global practice. (i.e., allow IP-PSTN interconnection). However, one service provider has a counter view, that allowing IP-PSTN connectivity to ILD/ NLD operators will lead to non-level playing field between access and NLD/ ILD service providers. Access service providers obtains circle wise license (by paying applicable entry fee), while an ILDO provides service with a one PAN India license. Access service providers, having invested in their network in compliance with licensing and security related obligations, will be put at a disadvantage.

4.149 One stakeholder has expressed that adequate provision should be made to allocate funds from USOF for incentivizing service providers to promote connectivity to rural and remote areas. Licensees are paying 5% of AGR towards USO since introduction of revenue sharing regime for rural coverage. It should be brought down to 3% since USO fee should not be construed as levy, rather it is contribution made by Licensees.

4.150 The above two issues are policy matters, the Authority feels it is beyond the scope of this consultation process, DoT has to take up this matter separately.

4.151 Some more stakeholders have submitted that clarification is required in the amendments made by DoT. DoT has missed out to define non-telecom activities and thereby requested DoT to make the definition of 'telecom activities' more specific to 'licensed telecom activities'. The Authority is in receipt of a reference from DoT and hence this issue is being handled through a separate consultation.

Periodic Compliance and Audits conducted by CCAs and DoT LSAs

4.127 As discussed in the consultation paper, EoDB is not only limited to obtaining permission/ license, but it is also equally important that compliances/ audits should also be minimum with an easy process. At

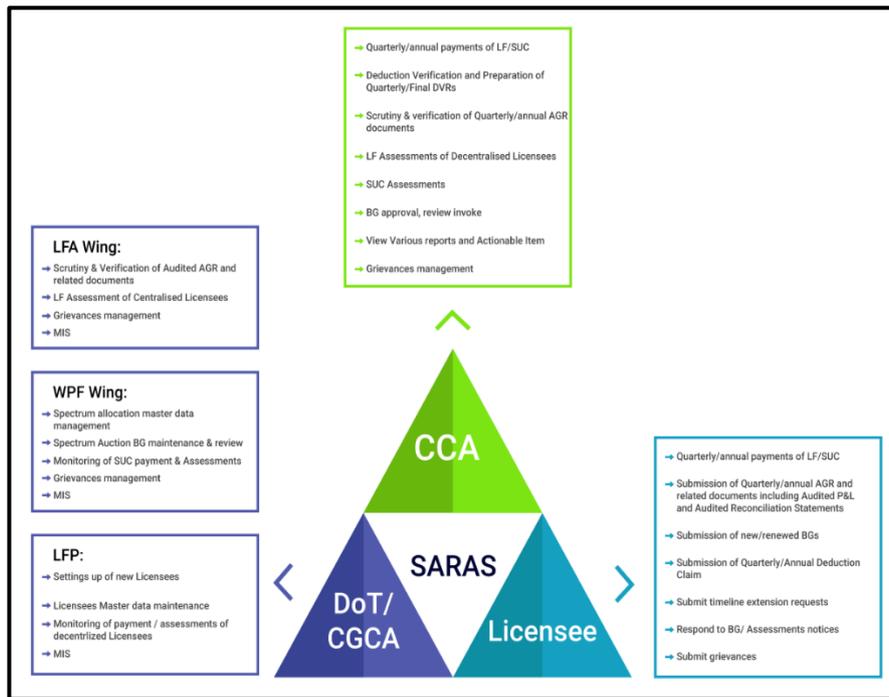
the end of the day, the requirement of any compliances or audits is a cost to the business. The audit and compliances processes need to be streamlined and made simpler so as to meet regulatory and governance requirements. Data security and privacy must be ensured for maintaining business secrets wherever needed. Reduced compliance burden especially helps smaller firms. In this chapter the various compliances and assessments carried out by the Government has been reviewed.

I. Verification and Assessment of LF & SUC by CCAs

- 4.128 The Licensing Finance of DoT consists of License Finance-Policy Wing (LFP) and License Finance-Assessment Wing (LFA) and a Wireless Planning Finance (WPF) division and there are 26 Controllers of Communication Accounts (CCA) offices. **Figure 4.3** briefly brings out the functions of each unit separately.
- 4.129 The telecom reforms announced by the Union Cabinet reduced the burden of submitting multiple Bank Guarantees at different LSAs. They can submit Bank Guarantee(s) centrally at one place instead of LSAs. Further, the quantum of both PBG and FBG has also been rationalized vide the amendments made in the UL Agreement on 6th October 2021.
- 4.130 Towards the path of digitizing the existing processes, DoT has taken up an initiative to ease and automate revenue reporting, assessment and payment mechanism. A Revenue Management Software named as SARAS (System for Assessment of LF Revenue and SUC) has been implemented in 2019. It aims to digitize the assessments, payment and accounting of license fees, spectrum usage charges etc. along with all ancillary processes.

Figure 4.3: Functions of various bodies of DoT involved in Revenue Management System⁷⁶

⁷⁶ <https://www.saras.gov.in/main/OrganizationalStructure.php>



4.131 The Authority has contemplated that EoDB reforms are also required in the payment and assessment of the Government levies payable by a TSP and accordingly asked the following questions to seek the views of stakeholders for such reforms/ digitization to be carried out in this matter.

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.

And

Q18. Whether any issues are being faced by the telecom service providers during declaration and verification of documents for deduction claimed from the Gross Revenue and special audits of revenue? If yes, provide your comments with the reasons thereof.

These questions have also received many responses from the stakeholders. The relevant ones are discussed and analyzed in the subsequent paragraphs.

I.1 Issues related to SARAS portal

Comments of the Stakeholders

4.132 Some stakeholders suggested that SARAS portal should be made comprehensive enough to record all details with respect to list of compliances, compliance reports, BGs and other records of financial transactions between Licensor and Licensee. This will ensure that Licensor will have access and complete visibility of all requisite information, approvals and transactions on one single portal. In short,

LF/ SUC payments, BG submissions, receipt and response to notices including Deduction Verification Report (DVR) related Show Cause Notice (SCN), demand notices, should be centralized at one portal.

- 4.133 Some service providers are of the opinion that the mechanism of reporting and filing at the SARAS portal is although simple, it requires lot of iterations. They have commented that there are basic issues in SARAS portal that require urgent attention. Document upload size restriction of 10 MB should be enhanced to 15 MB. Many of the stakeholders have submitted that technical glitches faced while uploading AGR statements should be removed. Most tabs and hyperlinks on portal are not made operational yet. It is also submitted that uploading of complete set of documents again and again (audited, unaudited and re-upload of full set) till the system accepts uploading is cumbersome and time consuming.
- 4.134 After the introduction of SARAS portal, payment process has eased out. However, additional steps are introduced w.r.t. verification of payment, thereby delaying the complete process of compliance. Some examples provided by service providers are given below:
- i. Payment initially made through SARAS portal.
 - ii. Generation of GAR-6 (final receipt of payment) & GAR-7 (challan) is awaited.
 - iii. Documents along with provisional receipt, GAR-6 & GAR-7 are notarized and submitted to CCAs.
 - iv. Finally, submission of acknowledged documents in the SARAS portal.
- 4.135 Some associations have expressed that even after paying the LF online, CCAs seek hard copy of proof of payment along with affidavit. Some CCA offices are situated at not easily accessible locations which leads to delay in submission. There should not be any requirement to submit hard copy and affidavit. Similarly, hardcopy for deduction claim of pass-through charges on AGR statement is also sought. Instead of hard copy, digitally signed documents should be accepted. Some other stakeholders have suggested that instead of submission of affidavit for AGRs on quarterly basis, an undertaking should be taken from authorized signatory. The documents may be uploaded/ physically filed on an annual basis after due certification from the Statutory Auditor.

Analysis of the issue and views of the Authority

- 4.136 The Unified License Agreement, *inter-alia* states that

“The AGR based license Fee shall be paid by the Licensee on the basis of revenue on accrual basis for the quarter, duly certified with an affidavit by a representative of the Licensee who is authorized by the Board Resolution coupled with General Power of Attorney.”

4.137 After the introduction of SARAS portal, payment of LF has been made online. The Authority has noticed that the main concern of service providers is to make the SARAS portal efficient and user friendly without any operational challenges. The Authority appreciates that DoT has released a Standard Operating Procedure (SOP) on 10th May 2022⁷⁷, to ensure greater levels of standardization, efficiency as well as transparency and accountability in Deduction Verification process, and thus overall LF and SUC assessment process. The field offices of DoT i.e., offices of Pr. CCA and CCA have been directed to ensure compliance with the said SOP. The objectives of this SOP are to facilitate and ensure:

- Efficient and timely processing of deduction claims
- Consistency & Uniformity across verifying authorities
- Transparency and accountability of verifying authorities
- Reduction of department-industry disputes and litigation
- Revenue assurance by standardizing admissibility/ inadmissibility of claims

4.138 The Authority is of the view that the portal should be made comprehensive to include all the financial processes and communications between licensee and licensor. Any technical issues arising should be resolved by the technical team of portal at the earliest. Further, the portal should support uploading documents of larger size.

4.139 The Authority is of the view that the need to submit physical copies should be eliminated. Documents involved in deduction claim process deal with hundreds to thousands of pages, which creates a huge impact to the environment. Also, the existence of both physical and online submissions, along with a deadline requires a lot of effort.

4.140 Further, in line with the views of the Authority, DoT vide its Order dated 27th September 2022⁷⁸ has mentioned that the need for parallel physical submissions of financial compliance documents would be removed in a phased manner. Accordingly, it is instructed that the physical submissions of the following documents would not be required for Q3 of FY 2022-23 and onwards:

- Unaudited/Audited AGR Statements
- Audited Reconciliation Statement
- Audited Annual Accounts
- Payment Proofs including GAR-6/GAR-7 and Affidavit

4.141 With this development, the Authority hopes that the obligation of submitting financial documents in physical form at every CCA for each

⁷⁷ <https://static.pib.gov.in/WriteReadData/specificdocs/documents/2022/may/doc202251054101.pdf>

⁷⁸ https://www.saras.gov.in/main/latest_orders/Letter%20for%20removal%20of%20physical%20documents.pdf

quarter will be completely eliminated. DoT should ensure implementation of the said Order.

I.2 Simplification of Deduction Verification Process

Comments of the Stakeholders

- 4.142 Many stakeholders are of the view that the current practice of submission of multiple documents such as AO, AG, payment proofs, supporting invoices, bank statements, TDS returns, etc., runs into hundreds and thousands of pages. This should be simplified by relying on the certification provided by Statutory Auditors. Their report is comprehensive in nature with due verification of supporting documents. The certificate issued by the Statutory Auditors is an already accepted practice for NLD and ILD licenses. The same should be allowed to all licenses including access services.
- 4.143 TSPs have submitted that deduction verification process is cumbersome. To simplify this process, instead of current 100% verification, sample base deduction verification should be adopted. It is a scientific approach of audit where samples are selected with help of audit tools. In case, TSP fails on the sample size, as a rule, sample size may further be increased. The prevailing practice is that for every failed sample, there shall be additional three samples. If the auditee fails again, the sample size is again increased to five additional samples. In cases where the auditee fails again, only then a 100% verification or special audit becomes applicable.
- 4.144 One association submitted that for the last several years, assessment done by CCAs is kept provisional and not concluded as final. As a result, even after surrendering license and completing all the formalities, demands are raised for license fee along with interest and penalty. They have suggested that the assessment done by CCAs should be final.
- 4.145 Stakeholders have also submitted that different CCAs field units interpret circulars issued by DoT HQs differently. This poses challenges to service providers for resolution of issues. Moreover, the instructions related to verification of deductions are not followed uniformly across all circles. The complexity in case of verification of deductions has increased considerably as all invoices are individually verified by offices of CCAs. Many disputes arise with regards to disallowances, and it takes time in finalisation of deductions.

Analysis of the issue and views of the Authority

- 4.146 In the SOP dated 10th May 2022, DoT has issued verification process for NLD/ ILD services for the first time which is based on self-certificates and Statutory Auditor certificates. There is no requirement to submit individual invoices supported by bank statement, Form 26Q etc., for

NLD/ ILD services for verification. However, no change has been carried out in verification process for access service providers. The current practice of verification involves large deployment of resources in various field units by Government and in circle offices TSPs which can be rationalised.

- 4.147 A sample-based verification process as suggested by the stakeholders may be considered by DoT. In order to simplify the existing deduction verification process, the Authority believes that DoT should come up with a sample-based verification process based on appropriate scientific statistical model.
- 4.148 For the issue of varied interpretation of guidelines by CCAs, it can be seen that DoT has released a SOP stating instructions for better understanding of the deduction verification process by CCAs. The list of various OMs/ letters/ clarifications/ guidelines, along with the orders relevant to deduction verification, issued by DoT HQ are also listed in the SOP. However, consolidation of all orders/ letters related to the deduction verification has not been released. A clear and unambiguous consolidated guidelines that is easily interpretable by CCAs and service providers should be released by DoT. Even with the SOP in place, it should be ensured that those guidelines are rightly interpreted by CCAs.
- 4.149 Apropos to the above, **the Authority recommends that in respect of payment of AGR based License fee and Spectrum Usage Charges (SUC), the deduction verification process should be reviewed. 100% verification should be replaced with sample base deduction verification based on appropriate scientific statistical model.**

I.3 Centralising the assessment of LF and SUC

Issues raised by the stakeholders

- 4.150 Some associations have opined that assessment of LF and SUC for access providers should be carried out centrally at DOT (HQ), in-line with the management of BGs centrally. Such centralised assessment of SUC will not only bring consistency but would also be more efficient and cost effective for DoT as well as TSPs. They were also of the view that once SARAS portal will be fully functional, it would be straightforward to assess LF and SUC simultaneously.

Analysis of the issue and views of the Authority

- 4.151 At present, the LF assessment is a two-step process:
- i. CCA offices carry out a verification of deduction from GR and send a report, known as the Deduction Verification Report (DVR) to DoT HQ. This report carries the disallowances made by the CCA offices w.r.t. the deduction claimed by the operators.

- ii. DoT HQ further carries out a re-computation and takes into cognizance the DVR received from CCA. Accordingly, DoT HQ sends a demand cum Show Cause Notice (SCN) to the operators.

Post receipt of this demand cum show cause notice, there are two separate representations required to be filed:

- i. In the matter of DVR, representation is required to be made with the respective CCAs.
- ii. On assessment of revenue and other issues, representation is required to be made to DoT HQ.

4.152 From the above-mentioned process, it could be seen that stakeholders have to approach CCAs offices and DoT HQ for queries raised by the Licensor or for the representations made by the service providers. The Authority feels that there should be only one point of contact for service providers to make representations.

4.153 The Authority is also of the view that DoT should consider centralising the assessment of LF and SUC. This centralization is necessary especially for the service providers who have PAN India license, whose deductions may not be specific to a particular circle/ CCA. In those cases, it becomes apparent that assessment should be made centrally at either DoT HQ or CGCA or through a designated LSA(s), whichever DoT finds effective. However, for the service providers whose operation is limited to few circles, the existing process may be continued.

4.154 Further, as per the present system, the demand cum SCN is raised by DoT HQ and the DVR report is prepared by CCAs. This bifurcation between two arms of the licensor makes the licensee run between CCAs and DoT HQ. The proposed centralization would help better management of demand cum SCN. This shall reduce the possibility of errors and multiple iterations of notices and the delay thereof. Accordingly, the Authority is of the view that the centralization of LF and especially SUC assessment should be done, wherever technology allows.

4.155 Apropos to the above, **the Authority recommends that the assessment of License Fee and Spectrum Usage Charges should be centralized at either DoT HQ or Controller General of Communication Accounts (CGCA)/ through a designated LSA(s).**

J. Audits conducted by DoT LSAs

4.156 The field units of DoT have been entrusted with the task of conducting the periodical audit of the quality of mobile services provided by the TSPs. There are 22 Licensed Service Areas (LSAs). The set up at LSA level is divided into five functional verticals – service compliance, security, technology, rural and administration. The Authority in the consultation paper has identified the need to review the audits conducted by LSAs. Under the UL requirements and TRAI regulations, TSPs are subjected to

various audits including CAF audit, EMF audit, QoS audit, metering & billing audit, cost audit, special audit, security audit, license audit, annual licensing inspection, etc. The following question was raised in the consultation paper:

Q19. What improvements do you suggest in the various extant audit processes conducted by DoT LSAs? How the process of the Customer Acquisition Form (CAF) audit can be further simplified? Provide your comments with justifications.

4.157 Some stakeholders are of the view that there are incidences of redundancy/ duplicity of periodic inspection/ audit conducted by various LSAs. Each LSA has the same inspection schedule and the inspections conducted by different LSAs on the same TSPs are time-consuming. There are also variances in the interpretations of the guidelines among LSAs. Most of the audits overlap and are replicated in all LSA units. Hence, they have suggested that a unified audit at DoT HQ or centrally by designated LSA unit for licenses with PAN India service area. The same report can be shared with other LSAs.

J.1 CAF acquisition, verification by TSPs and Audit conducted by DoT LSAs

4.158 Whenever a customer applies for a mobile connection, he is required to fill Customer Acquisition Form (CAF). The customer fills their details and provides proof of identity (POI) and proof of address (POA). As per licensing terms and conditions⁷⁹, the licensees are required to ensure adequate verification of every mobile customer before enrolling them as a subscriber.

4.159 The LSAs conduct the CAF audit on sample basis. The objective of CAF audit is to establish compliance of onboarding and activation process. A monthly sample of 0.1% of the subscriber base of each licensee is audited by the LSAs, whereas in the states of J&K, Assam and North-east, a sample of 0.2% of subscriber base is audited quarterly. It corresponds to an audit of approximately 12 lakh (1.2 million) CAFs per month across the country. DoT has introduced graded penalty scheme for subscriber verification failure cases to act as a deterrent (see **Table 4.4**).

Table 4.4: Graded penalty system for non-compliance cases

Correct subscriber verification percentage in a service area	Amount of financial penalty per unverified subscriber
Above 95	1000

⁷⁹ <https://dot.gov.in/sites/default/files/Annual%20Report%202020-21%20English%20Version.pdf>

90-95	5000
85-90	10000
80-85	20000
Below 80	50000

Comments of the Stakeholders

4.160 Stakeholders have commented that the database submission and CAF audit should only be done electronically and submission of data pertaining to subscriber's base should be moved from physical mode (CD/ Pen Drive/ Hard Disk) to digital mode (server to server transmission). Further, standardization of database and other reporting format to be followed by all field Units.

4.161 One service provider has opined that the notification of guidelines for digitization of paper CAFs should also be made applicable for the UL-VNO licensees having access service authorisation so as to extend the benefits of the digitization of paper CAFs. One of the associations have suggested that similar amendment should also be issued for ISPs.

4.162 Regarding CAF audits, stakeholders have suggested the following:

- a) Sample size should be fixed @ 5000 samples/ LSA or 1% whichever is lower, and the frequency should be six monthly.
- b) CAF audit should be carried out every six months for subscribers acquired in the last one year.
- c) CAFs with e-KYC should be exempted as the data is populated as received from UIDAI.
- d) No penalties should be levied based on the observations. TSPs should be given three months' time to make corrections for all future activations and if completed within this three-month period, no penalties should be imposed for the period. Only an incremental base for the monthly subscriber audit should be considered. Further, the graded slabs should be modified to
 - > 90% @ Rs. 1000
 - > 85% and < 90% @ Rs. 5,000
 - > 80% and < 85% @ Rs. 10,000
 - < 80% @ Rs. 50,000

They have also submitted that special consideration for AS/ NE & JK by applying a factor of 4 should also be done away with.

4.163 One other association has commented that CAF penalty matrix and amount should be reduced. Provision of CAF penalty should be removed for circles where the non-compliance is equal to 5%. The penalty should be Rs. 1000/- per CAF. Monthly audit should be made quarterly with 1/4th sample size of the incremental subscribers with flat penalty structure.

Analysis of the issue and views of the Authority

- 4.164 The telecom reforms announced in September 2021 also included CAF related reforms to replace paper CAF with digital storage of data. Accordingly, DoT on 11th October 2021⁸⁰ issued guidelines regarding CAF digitization that the paper CAF have to be replaced by digital storage of data. With this, nearly 300-400 crore (3-4 billion) paper CAFs lying in various warehouses of TSPs will not be required.
- 4.165 As per the notification, UL (Access Service) authorizations/ UASL licensees are now allowed to replace and store the paper CAFs. However, the said notification does not prescribe these guidelines for UL-VNO (Access Service) authorization's licensees. sector. Amendments regarding digitization of CAF should be made applicable to all the service providers of the telecom as well as the broadcasting sectors.
- 4.166 In broadcasting sector, after an advisory issued by TRAI on 5th February 2016 for the use of electronic CAF (e-CAF), many DPOs started using e-CAF. Further, QoS Regulation 2017 also allows DPOs to collect the CAF form electronically. The use of e-CAF will bring efficiency to both the customer and the service provider. It is also environment friendly, considering the fact that large quantity of papers is used in the process of maintaining such data. Thus, owing to entering a paperless regime in India, the digitization of CAF should also be extended to all the sectors in the country, including the service providers of the telecom and broadcasting sector.
- 4.167 The Authority has learnt that among the CAFs filled nowadays from the customers, about 99% are CAFs are being taken in digital form by the Point of Sales (POS). POS authenticate the customer either through Aadhaar based e-KYC (75-80%) or D-KYC method. In e-KYC, the customers are verified through Aadhaar authentication. In D-KYC process, the details of Proof of Address (POA)/ Proof of Identity (POI) are scanned, and the details are manually filled by the POS on their app. Further, for proof of address, the documents are scanned by the POS. These e-CAF and digital CAFs contribute to 99.9% of the CAFs currently. Less than 1% CAFs are still being filled physically.
- 4.168 It has been noticed that e-KYC is the preferred method of subscriber verification by TSPs. In e-KYC, the customers are verified through Aadhaar authentication, and the details are fetched from UIDAI and validated through OTP on alternate number. However, the Authority has observed that many fraudulent SIMs are being issued by cloning Aadhaar and by using silicon fingerprinting. Therefore, the process of audit of e-KYC authenticated CAFs may continue to verify such CAFs as well.

⁸⁰ https://tra.gov.in/sites/default/files/reforms/Customer_Application_Form_Reforms.pdf

- 4.169 The Authority agrees that the sample size of the CAF audits should also be reviewed. DoT in May 2007 introduced monthly verification audit of CAF based on uniform sampling of 0.02 per cent of customer base of service providers. In April 2008, it was held that the sample size of 0.02 per cent was not sufficient to represent the total population of verified subscribers and hence decided to enhance the sample size to 0.1 per cent with effect from 1st May 2008. Since then, the subscriber base of TSPs has increased multi-fold. 0.1% for other states and 0.2% for J&K, Assam and NE states may also be reviewed. The Authority suggests that sample size of CAF audit should be reduced, based on scientific process in consultation with the Ministry of Statistics and Program Implementation.
- 4.170 Also, the CAFs from which the samples are picked currently covers the entire subscriber base of the TSP. DoT may consider reducing this base itself. For the purpose of audit a weightage-based system may be applied for newly acquired subscribers and old subscribers. The Authority is of the view that 50% of the CAF data may be taken from the subscribers acquired during the last one year. Out of the balance 50%, half of it i.e. balance 25% may be taken from the data of immediate previous five years prior to the last one year. Last 25% may be picked from the CAF data since the beginning of services of the TSP.
- 4.171 Regarding reduction of penalties, the Authority disagrees with stakeholders. CAF verification and audit is important to ascertain that SIM card is issued to a bonafide applicant. A non-compliant licensee should be subjected to penalty. Penalties are an effective way to ensure enforcement of the performance. The purpose of levying penalty is not to ensure compensation in case of a breach but to ensure the performance of the duty the licensee is meant and agreed to perform. Thus, the Authority is of the view, that the penalty should not be modified.
- 4.172 In view of the above, **the Authority recommends that:**
- a. Submission of the Customer Acquisition Form (CAF)s by the TSPs to the DoT LSAs should be made online. The portal should support bulk uploading facility. Appropriate analytical and Artificial Intelligence (AI) tools should be utilized for processing such CAFs.**
 - b. Samples for audit should be fetched by the DoT LSAs from the TSP's CAF data based on a weightage system.**
 - i. 50% of the CAF data may be taken from the subscribers acquired during the last one year.**
 - ii. Out of balance 50%, half of it (25% of the total data) may be taken from the data of immediate previous five years prior to the last one year.**

- iii. **Balance data (25% of the total data) may be picked from the CAF data since the beginning of services of the TSP.**
- c. **DoT may consider reducing sample size in consultation with the Ministry of Statistics and Program Implementation.**

J.2 Security Audits and annual licensing inspections

- 4.173 Many stakeholders have stressed that security processes that are managed centrally (i.e., over 90% of the total processes) should be audited at a central level. LSAs can audit the rest, such as physical assets at the circle level to ensure security audit related compliances while doing away with the duplication. Further, the license inspections (Access, ISP, NLD/ ILD etc.) should be conducted at central level as most of the processes are being managed by TSPs at the central level only.
- 4.174 As already discussed, processes should be centralized rather than conducting LSA wise, wherever technology permits. Thus, the security processes that are managed centrally should be audited at a central level while the rest, such as physical assets at the circle level may be audited by the LSAs. This will ensure security audit related compliances by DoT, while doing away with the duplication of effort at the DoT and TSP end.
- 4.175 Further, the Authority has noted that each LSA conducts an annual inspection of licensees at circle level. The objective of these inspections is to assess the compliance of the licensee on the basis of inspection forms filled and data provided by service providers. TSPs also provide information to different LSAs for their respective license inspections. Thus, similar to security audits, most of the data/ information sought during the inspections can be provided by TSPs centrally. Only circle specific data should be considered for inspections at LSA level. Hence, making the annual license inspections at a central level would also be a major step towards EoDB.
- 4.176 Accordingly, **the Authority recommends that the centrally managed processes should be audited centrally whereas the physical assets specific to a circle be audited by the respective LSA. Similarly, annual license inspections should be conducted either at central level or at a designated LSA, as applicable.**

Permissions by wings of Department of Telecommunications

- 4.177 The organizational structure of Department of Telecommunication is quite unique. There are certain division/ wings within DoT which have an independent field/ vertical structure. The organizational structure of DOT is placed at [Annexure D](#).

4.178 Following wings of DoT also play a pivotal role in providing clearances to service providers of telecom and broadcasting sector. The wings under DoT are:

- a) **Wireless Planning and Coordination (WPC)**: Nodal authority for planning, coordination, authorization, and management of the radio frequency spectrum in the country.
- b) **Network Operation & Control Centre (NOCC)**: Controls transmission from ground segment (satellite earth stations) along with the Master control Facility under DOS to manage the operation of satellites (INSAT) in orbit.
- c) **Telecommunication Engineering Centre (TEC)**: Technical wing that formulates technical specifications in the form of standards of telecom technologies for telecom equipment, networks, systems, and services. TEC has mandate for carrying out mandatory testing and certification of Telecom equipment.

4.179 In the consultation paper, following question has been raised for each wing (refer Q9, Q10 and Q11 of the consultation paper)

*‘Whether the present system of licenses/clearances/certificates or any other permissions granted by **WPC/NOCC/TEC** 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/clearance/certificate*

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

4.180 The Authority has duly examined the concerns expressed by stakeholders in response to the above questions. Functions performed by these specialized wings of DoT, the process being followed and need of reforms is discussed hereunder.

Wireless Planning and Coordination (WPC)

4.181 WPC wing is the National Radio Regulatory Authority responsible for frequency spectrum management, including licensing. It caters for the needs of wireless users (Government and private) in the country⁸¹. Besides, it also regulates the use and application of radio and wireless devices imported or manufactured in India. The following licenses, certificates, clearances and approvals are issued by WPC:

i. Network Licenses

- Public Mobile Radio Trunking Services (PMRTS)
- Network Fixed/Land/Mobile-HF/VHF/UHF (Above 806 MHz)
- Network Fixed/Land/Mobile-HF/VHF/UHF (Below 806 MHz)
- Network Captive Trunking Above 806 MHz
- Network Captive Trunking Below 806 MHz
- Network ISP License
- Network Microwave Links (MW Access and MW Backbone)
- Network Others Radar Above 806 MHz
- Network Short Range UHF Handheld Radio (USR)
- Network Terrestrial Broadcast (FM/CRS/SW/MW)
- Satellite - Broadcast Network - DSNG
- Satellite - Broadcast Network - DTH
- Satellite - Broadcast Network - HITS
- Satellite - Broadcast Network - Teleport
- Satellite - Broadcast Network - Temporary permission to use DSNG Vans
- Satellite - Telecom Network - Captive VSAT
- Satellite - Telecom Network - Commercial VSAT
- Satellite - Telecom Network - IFMC
- Satellite - Telecom Network - ILD Service
- Satellite - Telecom Network - NLD Service
- Satellite - Telecom Network - Telemetry and Telecommand
- Satellite Mobile Satellite Service (MSS)
- Satellite TV Channel Endorsement/De-endorsement

ii. Non-Network Licenses

- Experimental and Technology Trail License
- Import License
- Manufacturing and Testing License
- Demonstration License
- Dealer Possession License (DPL)
- Non-Dealer Possession License (NDPL)
- Aero Mobile Station License
- Maritime Mobile Station License (MMSL)

⁸¹ <https://dot.gov.in/spectrum-management/2457>

- Maritime Mobile Station License (MMSL) for Fishing Trawler/Boat

iii. SACFA Clearance

iv. Equipment Type Approval (ETA)

v. Certificates of Proficiency

- Amateur Station Operator’s Certificate (ASOC)
- Radio Telephony Restricted (Aeronautical) (RTR-A)
- Global Maritime Distress and Safety Service (GMDSS)

K. Existing Process of Frequency Assignment by WPC

4.182 WPC and NOCC are involved in the process of allotting spectrum to a service provider, who has obtained permission for providing telecom or broadcasting service. Applicant follows the series of steps depicted in **Figure 4.4** for spectrum allocation and the purpose of each stage of the frequency assignment is mentioned in **Table 4.5**.

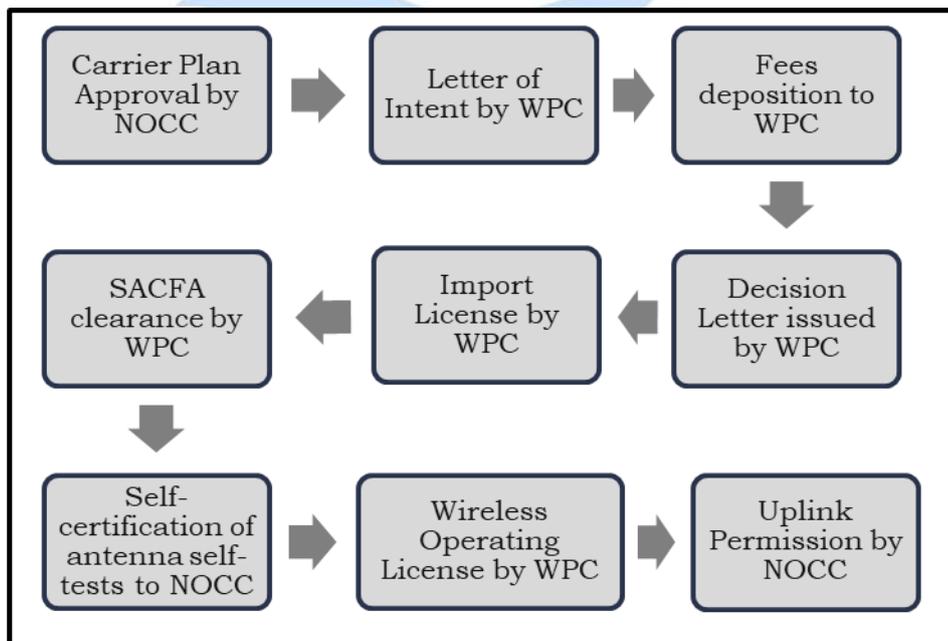


Figure 4.4: Process for spectrum assignment

Table 4.5: Purpose of each stage of frequency assignment process

Stage	Purpose
Carrier Plan	NOCC approves the carrier plan submitted by applicant (the plan contains network proposal, space segment allocation from DOS, frequency plan, technical specifications)
Letter of Intent	Indicates the applicant that a spectrum will be reserved for the applicant
Decision Letter	Acknowledgement that spectrum is allocated

Import License	Issued for import of any wireless transmitter/receiver/transceiver in the country
SACFA	For evaluation of aviation hazards, obstruction to the line of sight, interference to existing and proposed networks
Self-tests of Antenna	Applicant carries out self-tests of antenna and submits self-certificate with relevant antenna parameters along with radiation pattern
Wireless Operating License	Operating License issued by WPC
Uplink Permission	Final permission from NOCC for commencing services

Comments of the Stakeholders

- 4.183 Stakeholders have acknowledged that the Government is taking measures to make WPC processes online through the SaralSanchar portal. However, they are of the opinion that reforms undertaken should only be treated as Phase-I and the process should be further simplified. Delay in obtaining WPC clearances adversely impacts the roll-out of network and/ or network expansion. The processing time of WPC wing needs to be commensurate with international standards.
- 4.184 Some stakeholders have suggested that Letter of Intent should not be required from WPC prior to approval. Other stakeholders expressed that issuance of Decision Letter by WPC takes an enormous time. However, in case of satellite-based services, charging by DOS for allotted transponder capacity starts from the date of allocation. Thus, a delay in 'Decision Letter' not only delays commencement of services but also puts financial burden.
- 4.185 One of the reasons submitted by stakeholders for delay in Decision Letter is that the application for any new frequency assignment for added satellite capacity needs to be approved at the level of The Secretary (Telecom). The file is routed through various internal departments including finance department and respective CCAs for no due certificates. A lot of time is taken in inter-departmental coordination. They have suggested that this process should be suitably delegated.
- 4.186 A service provider has commented that even for small changes in a carrier plan (e.g., addition/deletion of VSAT sites), permission from NOCC and revised 'Decision Letter' from WPC has to be obtained. Issuance of revised 'Decision Letter' approximately takes 45-60 days. They suggested that this process should be dispensed and the requisite changes should be submitted online on a quarterly basis. In case of discrepancies, WPC/ NOCC can conduct a sample-based audit.

4.187 Some stakeholders suggested that the requirement of WOL for backhaul spectrum used by telecom licensees should be dispensed with, as it is removed for access spectrum. VSAT operators have requested that WOL for each VSAT site should be done away with and SACFA approval should itself include WOL.

Analysis of the issue and views of the Authority

4.188 NDCP 2018 has laid down the foundation of reorganizing WPC wing to facilitate EoDB. In sync with this, some of the WPC licenses are incorporated in SaralSanchar portal in 2020⁸². Further, licenses issued by Regional Licensing Offices (RLOs) are also made online in 2022⁸³. The front-end applications are received online through the portal, however, the internal workflows for some processes are still offline.

4.189 The Authority has noted that WPC has launched a single scrutiny workflow on SaralSanchar portal of DoT on 25.05.2022⁸⁴. This workflow is launched in respect of various categories of terrestrial, satellite and non-network license. According to the workflow, all the requisite data will be initially captured at one time. After the issuance of LoI, all other processes, viz. 'Decision Letter', Import License, SACFA clearance and WOL will be applicant driven and auto generated without any further scrutiny. The Authority appreciates the efforts of WPC in this direction for EoDB.

4.190 The Authority has noted that DoT, vide its satellite communication reforms cites that existing satellite-related clearance process takes about 6 to 8 months. To ease these processes, the following simplifications are made:

- The process is proposed to be done in six weeks.
- Instead of multiple-level scrutiny by NOCC and WPC, single scrutiny by each unit is envisaged for EoDB.
- Clear timelines prescribed:
 - DOS → space segment allocation letter → 1 week
 - NOCC → carrier plan approval → 1 week
 - WPC → Frequency assignment including LoI, Decision Letter, SACFA clearance and WOL → 4 weeks

4.191 Furthermore, DoT, vide its letter dated 15th November 2022⁸⁵ has done away with the requirement of obtaining WOL for VSATs operating under Commercial VSAT – Closed User Group (CUG). This has been done as

⁸² https://dot.gov.in/sites/default/files/2020_07_27%20SS%20WPC.pdf

⁸³ <https://dot.gov.in/sites/default/files/Office%20memorandum.pdf>

⁸⁴ <https://dot.gov.in/sites/default/files/OM%20on%20Single%20Scrutiny%20Workflow.pdf>

⁸⁵ <https://dot.gov.in/sites/default/files/Removal%20of%20Requirement%20to%20obtain%20wireless%20operating%20license%20for%20VSATs%20operating%20under%20commercial%20very%20small%20aperture%20terminal%20-%20Closed%20User%20Group%20License.pdf>

per the international practices and ease of doing business. The letter further states that SACFA clearance will continue to apply on VSATs and the WOL for Hubs/ gateway stations will continue to be issued as per existing procedure.

- 4.192 Regarding the matter of delegation of Decision Letter, the Authority has learnt that earlier, the approval of Decision Letter for satellite-based services is provided by Secretary (Telecom) and for terrestrial service, the approval is provided by Wireless Advisor. However, after the change of channel of submission, the approval of Decision Letter for satellite-based services is provided by Wireless Advisor and for terrestrial service, the approval is provided by Member (Technology). This should result in faster approval of Decision Letters.
- 4.193 The Authority welcomes these initiatives taken by WPC to make the licensing process online. The issues being faced by the applicants in the online processes are being resolved. However, the Authority is of the view that even after making the process online, there is further scope for simplification. Just making the processes online doesn't always serve the purpose. Entire licensing framework needs a review to make it simpler by redefining and reforming entire process of frequency assignment.

K.1 Licensing process of WPC

- 4.194 Many licenses for telecom services are issued under Section 4 of the India Telegraph Act, 1885 which states that:

“Within [India], the Central Government shall have exclusive privilege of establishing, maintaining, and working telegraphs, provided that the Central Government may grant a license, on such conditions and in consideration of such payments as it thinks fit, to any person to establish, maintain or work a telegraph within any part of [India].”

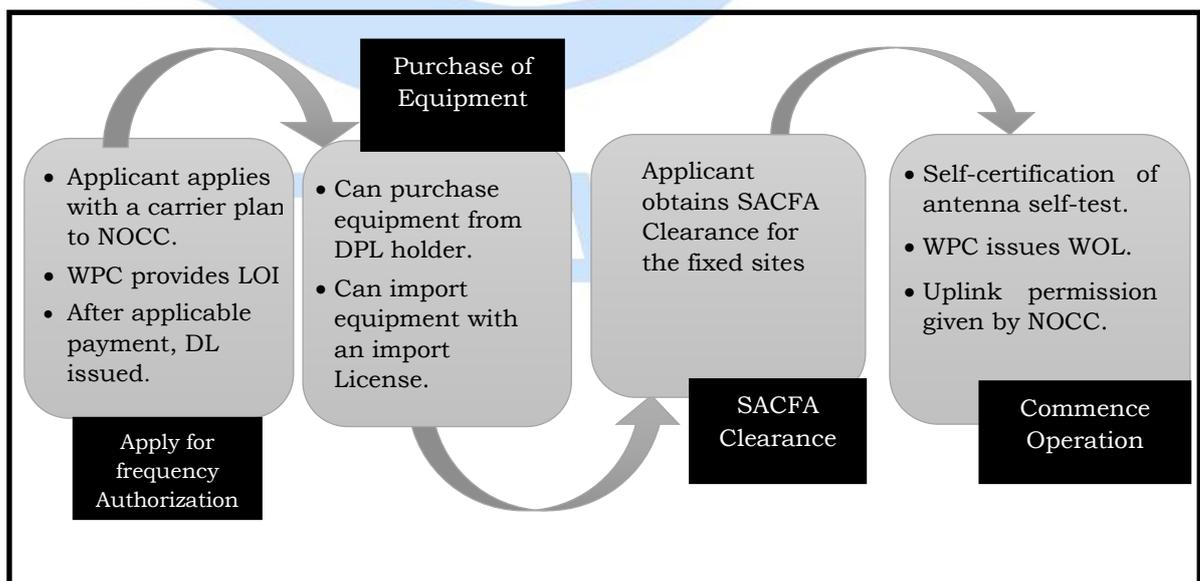
- 4.195 Here, the Central Government refers to DoT which grants Unified License (UL) through its licensing units. A single UL is required for various service authorizations. The allocation of spectrum is delinked from license, and it has to be obtained separately as per the prescribed procedure, for different services. This task is being handled by WPC Wing of DoT.
- 4.196 The clause 41 of UL guidelines under ‘Spectrum Allotment and Use’ states that:
- “41. This License Agreement does not confer any right to assignment and use of spectrum for which separate specific Frequency Allotment shall be required from Wireless Planning and Coordination (WPC) Wing”.*
- 4.197 The objective of WPC is to allot frequency and prevent interference. Despite the simplification and unification of licenses in form of UL, several individual licenses issued by WPC remains a cause of concern for

the service providers. The purpose is to assign frequency, which is like providing available existing resources to service providers. However, the frequency assignment process has been termed as ‘license’ for years instead of ‘assignment’ of frequency. The terminology of ‘License’ makes it an enigma. An analogy may be derived from assigning number resources. For instance, providing number to service provider is termed as ‘numbering resources allocation’ by DoT and not as ‘Number license’.

4.198 Moreover, the process of providing frequency assignment is designed in such a complex way, forcing the service provider to move back and forth between WPC and NOCC. **Figure 4.5** shows the process of obtaining frequency assignment from WPC and NOCC.

4.199 The Authority has noticed that WPC issues 35 network licenses and 9 non-network licenses. It includes license to operate, import and deal equipment in the country. In some cases, WPC provides a license to operate a telecom equipment and separately another license to import the same equipment. This complex framework of license leads to significant difficulties in installation and proliferation of telecom equipment.

Figure 4.5: Existing Process Flow at WPC/NOCC



4.200 Along these lines, it is evident that a service provider traverses several steps to get frequency assignment even after getting UL from DoT. This is a huge bottleneck to commence services. The Authority is of the view that current licensing structure of WPC should be simplified. The term License/ permission should only be used once the service license issued by the Licensor (i.e., DoT or MIB). For providing frequencies, the series of steps followed at WPC should be termed as a single ‘frequency assignment’ process with defined timelines. Only the technical aspects for which it is designed should be demanded and validated. This will

bring a transformational change and facilitate EoDB. The revised process flow for frequency assignment in case of satellite communication should be as depicted in **Figure 4.6**.

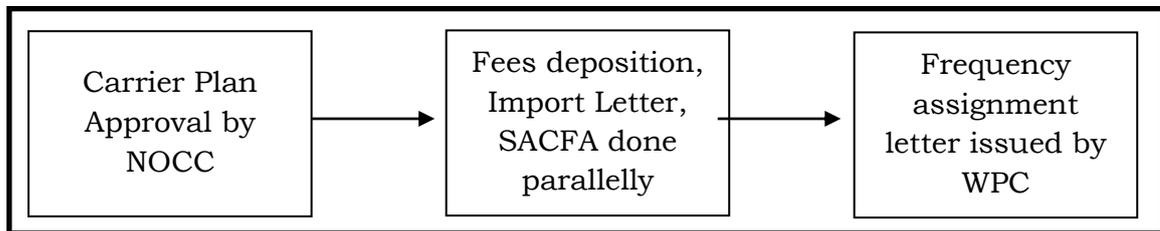


Figure 4.6: Revised Process for Frequency Assignment

4.201 The Authority is of the opinion that WPC should come up with a new comprehensive regime for the process of providing frequency assignment. In the new regime, there should not be various steps like issuance of Decision Letter, LoI and WOL. Instead, a mere permission letter termed as 'frequency assignment letter' should be sufficient. Further, the process should be designed with clear Standard Operating Procedure (SOP) that legibly explains frequency assignment process followed by WPC to achieve better delegation and accountability.

4.202 Apropos to the above, **the Authority recommends that:**

- a. **Nomenclature of the frequency licensing process being followed in WPC should be modified and termed as 'Frequency Assignment' process. Accordingly, terms and conditions should be amended in all corresponding frequency licensing guidelines.**
- b. **After SACFA clearance and NOCC carrier plan approval, a single Frequency Assignment letter should be issued by WPC. Letter of Intent, Decision Letter, Wireless Operating License and Uplink Permission by NOCC should be done away with. The frequency assignment letter should be considered as a final permission to commence services.**
- c. **WPC should issue Standard Operating Procedure (SOP) along with checklist of documents required for each of the process. The SOP should be made available on the portal.**

K.2 Administrative assignment of spectrum process

Comments of the Stakeholders

4.203 The stakeholders have submitted that it is a big challenge for service providers to keep a close watch on the window timelines for any of their business plan. For the last nine years spectrum assignment window is opened on adhoc basis with the approval of the Hon'ble Minister of Communications. This window is opened for a period of three to six

months. Applications of the service providers do not move within the department if window for approval is closed. Moreover, even if an application is made while the window is open, but the approval doesn't come before the window closes, then the service provider has to wait till the window opens again to get the necessary approvals. This delays the entire process of assignment of spectrum. There is a need of a more practical and industry friendly policy on the administrative assignment for spectrum.

Analysis of the issue and views of the Authority

- 4.204 NDCP 2018 states that '*Developing a transparent, normative and fair policy for spectrum assignments and allocations*'. Post Hon'ble Supreme Court Judgement of February 2012, the spectrum for telecom access service (2G/3G/4G) under UL regime is allocated through auction. However, spectrum for captive uses and other commercial satellite usage is allotted administratively.
- 4.205 It has been seen that there has been an adhoc arrangement regarding allotment of spectrum administratively for both captive uses as well as for other commercial services. Assignment of spectrum to captive users is being done as an interim measure for periods of three/ six months on each occasion. This issue has also been highlighted in CAG report No. 2 of 2022 on Management of Spectrum assigned on the administrative basis to Government Departments/ Agencies⁸⁶. After due analysis, it has been recommended that *DoT may devise a policy on allotment and assignment of spectrum for Captive Users/other commercial usage in alignment with statements made in NDCP 2018 and end adhocism in allotment of spectrum to Government Departments/Agencies.*
- 4.206 The Authority has noted that DoT has issued an O.M. dated 17th January 2023⁸⁷, wherein as an interim measure for a period of six months with effect from 13.01.2023, to continue to make frequency assignments for broadcasting (including community radio), H/V/UHF/SHF fixed/mobile networks (including CMRTS), radars, experimentation, demonstration and satellite-based applications (including DTH, Teleport, DSNG, VSAT, NLD, ILD, INMARSAT).
- 4.207 This will certainly help the service providers to get the spectrum in an expeditious manner, however it continues to be an adhoc and interim arrangement. The option for applying for spectrum assignment should be available to the licensees throughout the year, in order to enable the service provides to obtain spectrum whenever required. The Authority is of the view that DoT should devise a concrete policy on assignment of

⁸⁶ <https://cag.gov.in/en/audit-report/download/116503>

⁸⁷ <https://dot.gov.in/sites/default/files/Administrative%20Assignment%20OOM%20dated%2017th%20January%202023.pdf>

spectrum for Captive Users/other commercial usage. However, this being a policy issue is not being dealt in this EoDB paper.

L. Standing Advisory Committee on Frequency Allocation (SACFA) Clearance:

4.208 SACFA issues clearances for fixed wireless stations. A processing fee of Rs 1000 per site is charged. The technical evaluation is done primarily for:

- Aviation hazards
- Obstruction to the line of site of existing/planned networks
- Interference (Electro-Magnetic Interference/Electro Magnetic Compatibility) to existing and proposed networks

Comments of the Stakeholders

4.209 Many stakeholders suggested that the simplification made for SACFA of telecom towers, should also be extended to Hub/ Gateway antennas. It should be deemed approved at the end of 30 days. One stakeholder submitted that VSAT terminals with antenna height less than one meter and installed either on ground or on top of buildings should be exempted from SACFA clearance. They mentioned that it is expected that large number of user terminals of satellite broadband using receiving dish would be deployed. It can be exempted from SACFA like DTH receiver dish.

4.210 Stakeholders commented that, in case of LEO constellations, since gateways have many antennas, these antennas should be considered as a single antenna for the purpose of SACFA. Else, the time taken and the cost for SACFA clearance of each antenna will be enormous and will delay the commissioning of such gateways.

4.211 Stakeholders submitted that separate SACFA clearance is required for each site deployed in different frequency bands as well as for different technology chosen to provide wireless services. They have requested that only one SACFA clearance for a site for multi-band/ multi-technology deployment should be sufficient as the frequency in any case is allotted by WPC.

4.212 Some TSPs opined that DoT should review SACFA fee. With the introduction of new simplified process, no manual intervention is required from WPC/ DoT. Hence the processing fee of Rs 1000/-prescribed should be made zero.

4.213 One stakeholder submitted that dealing and possession of VSAT Terminals should be exempted from the Wireless Act as satellite communication continues to evolve and large-scale deployments are likely to happen. This will facilitate the availability/ distribution of such terminals through many distribution channels including e-commerce

platforms. Possession of user terminals (for satellite broadband and VSAT both) may be de-licensed like mobile handset.

Analysis of the issue and views of the Authority

- 4.214 The Authority has noticed a number of reforms and simplifications carried out by WPC in SACFA clearance as well. The telecom reforms on 15th September 2021 also included easing out SACFA clearance for telecom towers. Accordingly, on 6th October 2021⁸⁸, WPC issued the procedure of simplified SACFA clearance for installing towers through self-declaration. Time-bound approval (within 30 days), digital signature, online payment through BharatKosh is also enabled for ease of doing business. Some cases are cleared automatically, and applicants download system generated SACFA clearance from SaralSanchar portal.
- 4.215 Cases not meeting the “*auto-settle*” criteria will be processed by members through their integrated systems and will be cleared/ rejected within 30 days. On 12.01.2022⁸⁹, WPC has issued another O.M. stated that the cases not meeting “*auto-settle*” criteria, if not dealt within 30 days’ time, shall be deemed cleared after lapse of 30 days’ time from the date of application. However, the clearance shall have the following condition: *‘The physical construction of the tower shall not be commenced before the 16th day of the issuance of clearance’*.
- 4.216 Further, as another measure, on 9th May 2022⁹⁰, DoT has done away with the requirement for a formal application for SACFA processing for Low Power BTSs (LPBTs). However, TSPs rolling out the same should provide details such as geocoordinates and technical parameters along with an undertaking stating that top height of the mast/ antenna of such small cell shall be below the height of existing street furniture/ building/ structure.
- 4.217 SACFA committee include Secretary (Telecom) as Chairman and members from Ministry of Defense, Airport Authority of India, DG of Civil Aviation, Directorate of Coordination Police Wireless (DCPW), Wireless Advisor & Joint Wireless Advisor to GoI. These members of SACFA committee provide physical siting clearances of telecom towers to be installed.
- 4.218 Regarding the matter of SACFA to be obtained only once, the Authority is of the view that, the main aim of SACFA is to ensure aviation safety and security. This has been addressed by taking one clearance for a tower/ antenna/ site. However, at present, operators apply for separate SACFA clearance on an existing tower at same location for different frequency

⁸⁸ https://dot.gov.in/sites/default/files/SACFA%20Simplification%20OM_06th%20Oct%2C%202021.pdf

⁸⁹ <https://dot.gov.in/sites/default/files/SACFA%20Simplification%20Reforms%202020OM%20dated%2012%20January%202022.pdf>

⁹⁰ https://dot.gov.in/sites/default/files/Small%20cells%20OM_09_05_2022.pdf

bands and technology chosen by operators. Evaluating the same site/ tower again and again, even when an additional antenna is added, does not lead to any value addition. It rather puts additional workload on WPC and the service providers. Thus, the Authority is of the view that the requirement of additional SACFA clearance for the same mobile network site/ tower location should be replaced with intimation only on the SaralSanchar portal. The intimation process would help DoT in keeping track of modifications being done by the service providers. It helps in creating a database of tower-wise frequencies deployed by various TSPs.

4.219 Regarding SACFA fees, it is observed that a processing fee of Rs 1000 is required while submitting fresh SACFA applications/ self-declarations. With the said SACFA reforms, SACFA fee for LPBTs has been reduced from Rs. 1000 to Rs. 100 per small cell. Moreover, for 'additional antenna' category of SACFA siting clearance also, fee is reduced to Rs. 100 per additional antenna. The Authority is of the view that DoT may review and reduce SACFA fee for fresh applications as well, with the simplified SACFA clearance process.

4.220 Apropos to the above, **the Authority recommends that the requirement of additional SACFA clearance for the same mobile network site/ tower location should be replaced with intimation only on the SaralSanchar portal.**

M. Non-Network Licenses issued by WPC

4.221 Other than frequency assignment, WPC also issues some other licenses called non-network license which include Import License, Dealer Possession License, etc. The issues raised by the stakeholders while obtaining non-network licenses are discussed in further paragraphs.

M.1 Import License

4.222 In exercise of the power conferred via Notification No. 71 of 1953 issued under the Sea Custom Act 1878, a license is required for import of any wireless transmitter/ receiver/ transceiver. Accordingly, WPC issues an import license for import of any active RF telecom equipment in the country. Without this license, Customs Department does not clear entry of RF equipment into the country.

Comments of the Stakeholders

4.223 Stakeholders have commented that TSPs experience difficulty in obtaining timely import license from RLOs. The requests for import license are often delayed or declined. They suggested that an operator allocated with valid frequency and license should not require a separate import license from RLO. To ensure traceability, only a prior intimation regarding the equipment to be imported may be provided to

WPC and list of all imported equipment may be submitted on yearly basis to WPC.

- 4.224 A few associations suggested that DoT should grant a general exemption for ATA carnet shipments. Companies often import products under ATA carnet for testing/ trials/ demos for a short duration. At present, WPC import license or NOC is needed by Customs officers for clearance of shipment. This requirement should be done away with.
- 4.225 Many stakeholders commented that SaralSanchar portal should be integrated with Indian Customs Electronic Gateway (ICEGATE) portal. This will facilitate customs authorities to validate the license online during shipment assessment.

Analysis of the issue and views of the Authority

- 4.226 The Authority has noted that steps are being taken by WPC to simplify import license as well. Import licensing procedure for TSPs has been made on self-declaration basis vide O.M. dated 21st October 2021⁹¹. Further, for Original Equipment Manufacturers (OEMs), submitting an undertaking to the Custom authorities is sufficient.
- 4.227 ICEGATE is the national portal of Indian Customs of Central Board of Indirect Taxes and Customs (CBIC). An instruction was notified by CBIC on 23rd November 2021⁹² stating that integration with ICEGATE for transmission of WPC licenses approvals is underway. As informed, it has not been integrated yet. Accordingly, the Authority anticipates that this integration will happen soon and the self-generated import license will be seamlessly shared with the Customs Department.

M.2 Equipment Type Approval (ETA) certificate by RLOs

- 4.228 As per the rules specified by DoT, for every equipment or device that operates in the de-licensed frequency bands, ETA is mandatory. This approval is granted by the WPC wing for use in the Indian telecom network.

Comments of the Stakeholders

- 4.229 Many stakeholders submitted that scrutiny-based ETA takes one week to several weeks. They suggested a turn-around time not exceeding a week should be prescribed for scrutiny-based ETA. On expiry of this timeline, deemed approval should be activated and certificate should be issued to the applicant.

⁹¹ <https://dot.gov.in/sites/default/files/Compendium%20of%20Orders%20related%20import%20licence%20signed%20copy%20060722.pdf>

⁹² <https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-instructions/cs-instructions-2021/cs-ins-23-2021.pdf>

Analysis of the Issue and Views of the Authority

4.230 There are two categories of ETA certificates:

1. Self-Declaration ETA: RF devices operating in the notified license exempted frequency bands and falling under 'FREE' category of Directorate General of Foreign Trade (DGFT), import policy, are eligible for ETA under self-declaration. For such products, import licensing procedure is simplified. A system generated undertaking through SaralSanchar portal is sufficient.
2. Scrutiny-based ETA: RF devices operating in notified license exempted frequency band and falling under 'Restricted' category of DGFT import policy, scrutiny-based ETA is applicable. After obtaining scrutiny-based ETA from WPC, a separate import license from WPC is also required to import such 'restricted' devices. At present, scrutiny-based ETA and subsequent import license can be obtained from concerned RLO. However, the process is not made online yet.

4.231 The Authority has noted that self-declaration based ETA is being dealt in a smooth manner. However, timelines for scrutiny-based ETA approval have not been defined and the process is not made online yet. Further the delay in providing such approvals may sometimes restrict the import of products in the country. Timelines for these approvals should be defined in Citizen Charter and in the applicable places in portal i.e., FAQs, user manuals, etc. The Authority is of the view that the category of products which requires scrutiny-based ETA approval should have a clearly defined timelines as deemed fit by WPC. Applications not cleared within the prescribed time should be deemed approved. Also, the process of obtaining the scrutiny-based ETA should be made online.

4.232 Major IoT applications use wireless sensors across a wide variety of sectors. Individuals and organizations use wireless sensors to enable different kinds of smart applications and devices. From interconnected homes to smart cities, wireless sensors are required. Such sensors require ETA certification before import. These wireless sensors are low-power devices since it doesn't perform heavy data processing.

4.233 Many of such appliances are held at Customs in the absence of WPC ETA/ Import License. Considering the importance and excessive deployment of such devices, it is important that these products are exempted from the requirement of ETA/ Import License. An undertaking to the Customs should suffice. WPC should create a working group to prescribe certain power limit. The appliances emitting very low power below the defined benchmark should be exempted from ETA/ Import License.

4.234 Accordingly, **the Authority recommends that:**

- a. **The process of getting scrutiny-based Equipment Type Approval (ETA) from WPC should be made online and time-bound. A definite timeline should be prescribed for the approval and the provision of deemed approval should be enabled.**
- b. **WPC should formulate a working group to study and exempt Equipment Type Approval/ Import License for devices having wireless sensors emitting very low power below a prescribed level.**

M.3 Dealer Possession License (DPL)

4.235 DPL is issued by WPC to prospective dealers and distributors of wireless products. This is issued under the Indian Wireless Telegraphy Act, 1933. DPL forbids people and companies from possessing, transferring, or selling any wireless devices or similar telegraphy apparatus to any other person or organization also not holding a valid license.

Comments of the Stakeholders

- 4.236 Stakeholders submitted that DPL expires on 31st December every year and it has to be renewed. Renewal is applied a month in advance along with submitting details of stock register for the complete year should be submitted. Thus, stock register does not reflect details for December month. There is always a gap of at least 10 to 15 days between the expiry of old DPL and its renewal for next year.
- 4.237 Accordingly, they suggested that DPL renewal should be on a five-year basis. Otherwise, provisional DPL should be issued (maybe with 45 days validity) post submission of initial renewal application in order to maintain continuity.
- 4.238 DPL rules mandate that manufacturer is responsible to ensure equipment is sold/ supplied to customers possessing authorized spectrum allocation letters from DoT. The valid frequency letter/ other relevant information must come formally from the customer/ operator. OEM does not have access to such authorized frequency letters issued to operators. Thus they suggested that mandatory requirement of attaching a valid frequency letter to DoT when equipment is sold/ supplied to TSPs should be removed.

Analysis of the issue and views of the Authority

- 4.239 The process of applying for DPL is made online. Further, according to the launch of single scrutiny workflow vide O.M. dated 25th May 2022⁹³, after the issue of DL, applicant will be able to see the stock position of the DPL holder and buy the equipment according to the technical

⁹³ <https://dot.gov.in/sites/default/files/OM%20on%20Single%20Scrutiny%20Workflow.pdf>

parameters in the DL. DPL holder's stock will be automatically updated as per purchase. Since this provision of automatic updation is available now, the issue arising due to the 10 to 15 days gap is resolved.

4.240 Also, to further facilitate EoDB, DoT vide its O.M. dated 23rd November 2022⁹⁴ has mentioned that DPL Holders can apply for import permission on SaralSanchar portal. Further, provisions have been made for DPL holders to import wireless equipment for the purpose of stocking. After the completion of import, DPL Holders can update their stock position on the portal.

N. Other suggestions and views of the Authority

4.241 TSPs submitted that reinstalling/ deploying their wireless equipment into another LSA should be allowed after giving prior intimation to WPC instead of permission. This issue was already raised in the previous recommendations of 'Ease of Doing Telecom Business' dated 30th November 2017. In the said recommendations, it was mentioned that *there can be a genuine situation, when a licensee may have to reinstall its equipment in some other LSA. There seems to be no valid reason why licensee should be disallowed to reinstall/deploy the equipment at other LSAs.* Accordingly, it is recommended that *"TSPs should be allowed to reinstall/deploy their wireless equipment into another LSA after giving prior intimation to WPC preferably through the online portal. There should not be any requirement of taking prior permission of WPC for this purpose"*. The same should be applicable to the service providers of broadcasting sector also. Therefore, the Authority reiterates the same for all service providers.

4.242 Stakeholders have specified that spectrum assignment is internationally done as a block and not carrier by carrier. They have suggested that WPC should issue Decision Letter confirming block assignment and also endorse the carrier plan approval provided by NOCC. It is submitted by the stakeholders that there is no requirement for WPC to do a carrier-by-carrier assignment defining the EIRP and other parameters on carrier basis.

4.243 For this suggestion, the Authority disagrees with the views of the stakeholders. One of the essential responsibilities of WPC is monitoring and administration over the frequency spectrum. Hence, WPC should know which carrier is used by each service provider in order to administer the spectrum efficiently.

4.244 In view of the above, ***the Authority reiterates that service providers should be allowed to reinstall/ deploy their wireless equipment to***

⁹⁴ <https://dot.gov.in/sites/default/files/DPL-Import%20%282%29.pdf>

another LSA/ location after providing prior intimation to WPC. There should not be any requirement of taking prior permission of WPC. Online portal should provide the facility to submit such prior intimation.

Networks Operation Control Centre (NOCC)

4.245 NOCC provides network clearance before start of operations from earth station accessing satellite and also carries out monitoring, operational control and co-ordination. The three main functions of NOCC are:

- i. Carrier plan approvals
- ii. Self-test of the antenna (erstwhile Mandatory Performance Verification Testing of antennas - MPVT)
- iii. Uplink permission

4.246 The stakeholders have submitted that currently the NOCC approvals are not online, and they need to be integrated into the SaralSanchar portal. However, they have submitted that the offline approvals provided by NOCC are time bound. It has been stated by the stakeholders that the main reason for this time boundness is that the process is well defined and rightly delegated.

4.247 However, consequent to satellite communication reforms, 2022, NOCC has carried out several procedural reforms in respect of approvals/clearances vide its letter dated 21st November 2022. According to this letter, all the approvals provided by NOCC will be made online.

O. Frequency/ Carrier Plan approval and self-test of antenna

4.248 An applicant, after allocation of space segment on satellite applies to NOCC for carrier plan/ link budget approval. The carrier plan includes network proposal, space segment allocation from DOS, frequency plan, link engineering/ budget along with link summary, technical specifications of all the equipment from antenna to baseband and Earth station.

4.249 An operator who is licensed to install, operate, and maintain a satellite network system is required to take Mandatory Performance Verification Testing from NOCC. Mandatory Performance Verification Testing is conducted for satellite earth station Antenna/ Teleport/ DSNG/ Fixed Terminal/ Flyway Antenna. Previously, the process of applying for Mandatory Performance Verification Testing was offline. An amount of Rs 6,000 per trial per antenna is required to be submitted. This offline process took between two to four weeks.

Comments of the Stakeholders

- 4.250 Some associations suggested an online link-budget tool to be part of the application process. NOCC carrier plan approval prevents frequency conflict between users of same satellite. However, stakeholders believe that NOCC's role is limited as it does not account for unauthorized transmissions. Internationally, this function is managed by satellite operator and service provider.
- 4.251 One telecom service provider is of the view that any new frequency plan or smallest change in existing plan has to be approved by NOCC. The same should be dispensed off since the frequency bands for the satellites are exclusive and coordinated by DOS. They have further submitted that instead of going through the entire approval process, operators can only submit requisite changes online on quarterly basis.
- 4.252 One VSAT operator submitted that existing process for MPVT should be continued as NOCC checks antenna performance. Another stakeholder commented that the process for application, payment and approval of MPVT tests should be made online. Moreover, MPVT test should be conducted only for the large antenna which are 4.5 meter and above.

Analysis of the issue and views of the Authority

- 4.253 The Authority disagrees with the view of the stakeholders that there is no need of carrier plan approval process. It is important to note that the objective of NOCC is to control and monitor transmissions from satellite earth stations and prevent interference with other users. Therefore, it becomes prudent that NOCC should be involved in approving carrier plan. At the same time, it is important that NOCC approvals should also be incorporated in the SaralSanchar portal. Applicants should be allowed to upload all the documents required for the approval in the portal.
- 4.254 The Authority has noted that SATCOM reforms have enabled an online provision for carrier plan approval. The applicant after allocation of space segment on satellite will apply to NOCC for its proposed carrier plan/ link budget online through SaralSanchar portal. NOCC will examine the same, will request the applicant to revise/ correct the same, if required. The approval will be conveyed online within a prescribed time limit of 7 days. With this, the Authority believes that this online provision of carrier plan approval will be implemented in SaralSanchar portal shortly.
- 4.255 Furthermore, procedure of MPVT of satellite antennas is also done away with vide SATCOM reforms, 2022. Only self-certification from applicants is required. Validation of self-certificate will be carried out within 3 days on the online system. Besides, charges for MPVT testing, (i.e., Rs. 6000 per antenna) is removed.

P. Uplink Permission & NOCC monitoring charges

- 4.256 After WOL is issued by WPC, NOCC issues Uplink Permission. This is considered as the final step before commencing the services.
- 4.257 DoT vide its letter dated 29th October 2003, had fixed NOCC charges at Rs 21 lakh (~USD 26 thousand) per transponder per annum irrespective of the frequency band of operation and satellite. The charges were payable by all the users of INSAT/ foreign satellites used by telecom, VSAT and TV broadcasting operators.

Comments of the Stakeholders

- 4.258 Stakeholders have suggested that the process of issuing Uplink permission should be done away with, and the WOL issued by WPC should be considered as the final step for uplinking.
- 4.259 Many associations are of the view that satellite monitoring charges are not applicable globally. Another stakeholder expressed that monitoring charges are paid in advance, however there are no guidelines available for adjustment of balance, if licensee surrenders bandwidth before the specified period. Thus, NOCC should release necessary clarifications for ensuring timely settlement of such cases. Stakeholders from broadcasting sector have also submitted that DTH and teleport operators are paying significant payments in form of WPC royalty and NOCC monitoring charges. These charges should be reasonable and nominal only to recover the administrative cost.

Analysis and views of the Authority

- 4.260 DoT vide letter dated 21st November 2022 has simplified the procedure of getting Uplink Permission from NOCC. For first time uplink through the antenna, uplink permission is given immediately after validation of self-certificate by NOCC within 3 days. The operator need not apply for the same separately.
- 4.261 However, the process for subsequent uplinking of additional carriers/ services through the antenna or uplinking of existing service(s) with revised carrier parameters remains the same. The applicant, after obtaining new or revised WOL/ Decision Letter from WPC, will apply for Uplink permission through SaralSanchar portal. NOCC will examine the same, will get the discrepancies (if any) resolved, and will generate Uplink permission through the portal.
- 4.262 As regards the monitoring charges, DoT has removed NOCC charges for use of space segment for all DoT licensees for commercial/ captive VSAT services, GMPCS, NLD and other telecom licensees having UL/

standalone license vide Order dated 6th May 2022⁹⁵. This is done considering TRAI recommendations on ‘Licensing Framework for Satellite-based connectivity for Low Bit Rate Applications’ issued on 26th August 2021. Further after TRAI intervention, vide DoT Order dated 26th October 2022⁹⁶, NOCC charges has been removed for all other service providers also, including TV/ Broadcasting operators (i.e. Hub/ Teleport operators, DTH and HITS operators).

4.263 The Authority hopes that with these reforms will enable roll out of satellite-based communication networks in a relatively shorter time. Doing away with the multiple charges will help in EoDB by lowering the compliance burden on service providers.

Telecommunication Engineering Centre (TEC)

4.264 TEC is the technical wing of DoT. Its functionality includes preparation of specification of common standards of telecom network equipment, services and interoperability. Specifications are released as Generic Requirements (GR), Interface Requirements (IR) and Service Requirements (SR). TEC also issues interface approvals, certificate of approvals, service approvals & type approvals. It also discharges its function as a testing and certification body. Test Schedule Test Procedure (TSTP) is prepared to carry out testing and certification of equipment. The following approvals are carried out by TEC:

- a) Mandatory testing certification of telecom equipment (MTCTE)
- b) Voluntary approvals
 - i. Type approval
 - ii. Interface approval
 - iii. Certificate of approval
 - iv. Technology approval

Q. Mandatory Testing Certification of Telecom Equipment (MTCTE)

4.265 DoT has notified ‘Indian Telegraph (Amendment) Rules’ in Gazette of India on 5th September 2017⁹⁷ which prescribes Mandatory Testing and Certification of Telecommunication Equipment. It states that:

“Any telegraph which is used or capable of being used with any telegraph established, maintained or worked under the licence granted by the Central Government in accordance with the provisions of section 4 of the Indian Telegraph Act, 1885, shall have to undergo

⁹⁵https://dot.gov.in/sites/default/files/Order%20dated%206%20May%202022%20on%20NOCC%20charges_0.pdf

⁹⁶<https://dot.gov.in/sites/default/files/NOCC%20charges%20order%20dated%2026102022.pdf>

⁹⁷<https://tec.gov.in/pdf/Whatsnew/eGazetteNotif.pdf>

prior mandatory testing and certification in respect of parameters as determined by the telegraph authority from time to time.”

4.266 MTCTE is essential prior to sale, import, or use in India. MTCTE is rolled out in a phased manner. The testing is to be carried out for conformance to Essential Requirements (ER) for the equipment. Conformity Assessment Bodies (CABs)/ Certification Bodies (CBs) located in India are designated by TEC to perform testing and certification of telecom products. TEC also recognizes foreign CABs/ CBs located in the territory of Mutual Recognition Agreement (MRA) partner. Surveillance of products under MTCTE is carried out by LSAs. The intended objectives of MTCTE regime are:

- i. Telecom equipment does not degrade performance of existing network to which it is connected,
- ii. Safety of the end-users,
- iii. Protection of users and general public by ensuring that radio frequency emissions from equipment do not exceed prescribed standards,
- iv. Telecom equipment complies with the relevant national and international regulatory standards and requirements.

Q.1 Implementation time for testing and certification in MTCTE

Comments of the Stakeholders

4.267 Stakeholders are of the view that any new phase of MTCTE scheme should have minimum one year timeline for implementation after being notified. They believe that this will help Original Equipment Manufacturers (OEMs) to arrange required samples, do trial testing in the accredited labs. Some other stakeholders suggested that a minimum of 18 months should be given to comply with phase 3 and 4.

4.268 One other suggestion is that MTCTE website should reflect vendor wise/ product wise status of equipment testing and certification. System should provide 12-18 months grace period for vendors to get the testing and certification done. MTCTE team should work with vendors directly to get the product certified and upload the information on their portal.

Analysis of the issue and views of the Authority

4.269 Under each phase notified by TEC, certain products are added. As on date, four phases are notified. However, from manufacturers point of view, inclusion of high volume of products in each phase and deficiency of labs has been a challenge. Over and above, restrictive timelines for each phase makes it more complex for OEMs to comply with testing scheme. Thus, whenever new products are added and the new phase is notified, sufficient timeline should be given for its implementation. This will enable the manufacturers to comply with the requirements.

- 4.270 The Authority is of the view that the timeline for implementation of testing may vary for different products depending on the TSTP, lab's capability and availability, prototype to be tested, and its complexity. A stakeholder committee should be formed comprising of two members each from TEC, OEMs, service providers of ICT, telecom and broadcasting sector and the consumers of the product. The members of the committee should be on rotational basis with each member having a specific tenure. Such committee should study the TSTP of each product, evaluate its complexity, review its testing ecosystem and accordingly recommend timelines for each phase to TEC. Thereafter, TEC should conduct at least one open house discussion with the concerned stakeholders, before freezing the timelines.
- 4.271 Further, mode of compliance should also be revisited. A product based differential level of compliance should be devised based on the volumes and vulnerability of products. The Committee may consider classifying products depending on its usage and complexity and decide the mode of compliance for each category of products. Some products could be based on self-declaration, whereas the products requiring scrutiny may be based on testing reports.
- 4.272 The Committee should also consider reviewing the contours of testing. A modular implementation of mandatory testing may be considered in steps. The more crucial parameters could be tested as per conformance to ER. Thereafter the other parameters could be tested progressively from prospective dates. For instance: Safety, EMI/ EMC, SAR, Radio Conformance of products may be tested first, other technical parameters such as IPv6 and other technical testing could be tested progressively.
- 4.273 Apropos to the above, **the Authority recommends that for Mandatory Testing Certification of Telecom Equipment (MTCTE) scheme, a committee should be constituted by TEC comprising of two members each from: (i) TEC, (ii) Original Equipment Manufacturer, (iii) Service provider of ICT, Telecom and Broadcasting sector and (iv) Consumers of the product. The members of the committee should be appointed on rotational basis with each member having a specific tenure.**
- a. **The Committee should prescribe the timelines for each product to meet testing and certification requirements.**
 - b. **The Committee should revisit the mode of compliance for testing of products (test report evaluation, self-declaration based, product based differential level of compliance etc.)**
 - c. **The committee should consider modular implementation of product testing in terms of the parameters of the testing**

domain, after due assessment of feasible tests/ laboratory ecosystem etc.

Q.2 Mandatory Testing Consultative Forum (MATCOF)

Comments of the Stakeholders

4.274 Most associations submitted that current process of getting stakeholder inputs for MTCTE scheme and technical inputs for ERs is archaic and not fruitful. They submitted that a formal process of involving stakeholders is required to enable the industry and TEC to understand and contribute together. It should be made online, and comments provided by stakeholders should be transparently made available on website similar to TRAI. An annual MATCOF should be conducted to review the procedures of MTCTE scheme, to understand challenges faced by applicants, CABs, and other members of the ecosystem.

Analysis of the issue and views of the Authority

4.275 TEC conducts regular MATCOF for discussions pertaining to ER and GR. It obtains feedback from stakeholders on draft ER. The initial draft is circulated electronically to members of MATCOF for comments. The comments received are compiled and circulated via electronic mode to members of MATCOF. Initial draft of ER and comments received shall be discussed in MATCOF. However, all these processes don't have transparency to members of MATCOF. The Authority is of the view that it is important for the members of MATCOF to know about status of their comments, whether their comments were acknowledged by TEC, and any action is taken accordingly. The draft ER and the comments of stakeholders should be uploaded on website. Doing this will ensure transparency while framing the ER.

4.276 Apropos to the above, **the Authority recommends that TEC should publish comments on their website while conducting Mandatory Testing Consultative Forum (MATCOF) for drafting the Essential Requirements to ensure transparency.**

Q.3 Availability & Capabilities of Indian Labs and acceptance of ILAC reports

Comments of the Stakeholders

4.277 Stakeholders of telecom sector opined that number of certified labs available with desired capability is a challenge considering huge volume of products. They commented that products in any phase of MTCTE scheme should be included keeping in mind the number of labs capable of covering scope of MTCTE ERs.

4.278 For compliance with ERs, equipment undergo testing at Conformity Assessment Bodies (CAB) or CAB (Mutual Recognition Arrangement/

Agreement) MRA. Stakeholders commented that the International Telecommunications Union (ITU), the International Accreditation Forum (IAF) and the International Laboratory Accreditation Cooperation (ILAC) have signed a Memorandum of Understanding (MoU). These accreditation bodies independently evaluate the compliance of CABs against recognized international standards, verifying their competence and impartiality.

4.279 Most stakeholders suggested that TEC should continue to accept ILAC reports as long as it is meeting required standards. They mentioned that this helps OEMs to comply with the requirements in a flexible manner leveraging both local labs and international labs as suitable for requirement. One among them has further cited that the U.S. Federal Communications Commission permits accreditation of Indian labs, and allows equipment exported from India to the US to be tested in India. India currently does not have the same reciprocal process. It requires local retesting that adds costs, negatively impacts supply chains, and limits India's access to some technology and products. Stakeholders have requested that testing and certification by accredited international agencies should be considered until a time the domestic volumes/ manufacturing reaches adequate levels to justify in-country testing.

4.280 Further, the average lab test cost of in-country testing varies from Rs. 10 lakh (~USD 12 thousand) to Rs. 40 lakh (~USD 49 thousand). The average certification cost is around Rs. 3 lakh (~USD 3.6 thousand). Thus, stakeholders expressed that the cost of testing charged by labs under MTCTE regime needs to be reduced.

Analysis of the issue and views of the Authority

4.281 The Authority has noted that TEC vide addendum dated 13th November 2020⁹⁸ has extended the date of acceptance of test reports from labs accredited by ILAC signatories up to 30th June 2020 as a relaxation to MTCTE procedure. This relaxation shall be available for test results/ reports of technical requirements only i.e., all requirements of ER except safety requirement and EMI/ EMC requirements. It also has been noted that, while notifying for phases III and IV, TEC has again extended the date of acceptance of ILAC reports to 30th November 2021 for phases I & II and till 30th June 2022 for phases III & IV. Further, vide letter dated 13th June 2022, TEC has extended the date of acceptance of ILAC reports till 30th June 2023 for phase-II and IV products.

4.282 There are also Indian labs available for testing. However, these labs are quite small in number. Currently, there are only a few certified labs with

⁹⁸<https://www.tec.gov.in/pdf/Circular/Extension%20of%20Acceptance%20of%20Test%20Reports%20from%20Labs.pdf>

capability, availability and competent resources to test. If technical requirements and volume of products available in the market are taken into account, it becomes more challenging. Therefore, the Authority is of the view that TEC should continue accepting the ILAC MRA reports from ILAC signatories.

4.283 Since Indian certified labs are less in number, it is opportune time to increase the same, to curb dependency on foreign labs. To make India Atmanirbhar in the domain of testing, optimal capacity labs should be developed. One of the ways in which this can be achieved is incentivizing the labs in India. An example can be taken from the Food Safety and Standards Authority of India (FSSAI). FSSAI has formulated a scheme to provide support to State Food Laboratories for upgrading the laboratory infrastructure along with trained manpower for utilizing the sophisticated test equipment⁹⁹. One of the six initiatives is incentivizing states to use facilities available in FSSAI notified private labs.

4.284 Another example can also be noted where Government took initiatives¹⁰⁰ for a speedy roll-out of 5G in the country:

Government of India has decided to offer the use of Indigenous 5G Test Bed free of cost to the Indian Government recognized start-ups and MSMEs for the next six months up to Jan, 2023. It is available at a very nominal rate to all other stakeholders. Department of Telecommunications, Government of India has strongly urged all 5G stakeholders i.e. Industry, Academia, Service Providers, R&D Institutions, Govt. Bodies, Equipment Manufacturers etc. to utilize the 5G testbed facilities and expertise to test and facilitate the speedy development & deployment of their products in the network.

4.285 Similarly, scheme should be introduced by TEC for setting up labs i.e., providing incentives for setting up of labs, which will be a great enabler for testing in India. TEC notifies products for new phases of testing. TEC should identify and have a fair estimate of the ratio of the manufacturers/ products to the available labs which are capable of testing such product.

4.286 Regarding testing fees, the Authority has noticed that the testing fee structure is not prescribed in MTCTE scheme. In case of testing in Regional TEC labs, testing fee is notified by TEC separately. In case of CABs, the testing fees has to be borne by the OEMs and OEMs pays directly to CAB, without involvement of MTCTE portal. The uniformity in testing fees can be brought in only when there is sufficient lab infrastructure in the country.

⁹⁹ <https://www.fssai.gov.in/cms/state-food-labs.php>

¹⁰⁰ <https://pib.gov.in/PressReleasePage.aspx?PRID=1849978>

4.287 In light of the above discussions, **the Authority recommends that:**

- a. **TEC should continue accepting International Laboratory Accreditation Cooperation (ILAC) Mutual Recognition Agreement (MRA) reports from ILAC signatories till sufficient labs are established in India under MTCTE regime.**
- b. **Government should incentivize setting up of labs in India and should do lab assessment before notifying new phases of Mandatory Testing Certification of Telecom Equipment (MTCTE).**

R. Overlaps in telecom testing regime

4.288 The Authority in the consultation paper has recognized some overlaps in the testing regime of telecom products in the country. The following question was raised in the CP:

Q12. 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.

Comments of the Stakeholders

4.289 A fair response has been received with respect to this question from industry associations, service providers and OEMs. The stakeholders have identified the following five bodies currently involved in the testing procedures.

- a. Compulsory Registration Scheme (CRS) of MeitY and registration by Bureau of Indian Standards (BIS)
- b. MTCTE by TEC
- c. ETA by WPC
- d. Security testing by National Centre for Communication Security (NCCS)
- e. Issuance of Trusted Source/ Trusted Products by National Security Directive in Telecom Sector (NSDTS)

4.290 The stakeholders have also submitted a comparative chart pointing out the commonalities in the various testing procedures. The comparison is reproduced below in **Table 4.6**. In order to address commonalities and measures to remove such overlapping in testing of telecom equipment, stakeholders have provided some proposals which are discussed in the subsequent paragraphs.

Table 4.6: Overlaps existing between various testing

	BIS	WPC	MTCTE	ComSec
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Concerned Ministry	BIS of MeitY	WPC of DoT	TEC of DoT	NCCS of DoT
Application format	CRS BIS portal	SaralSanchar portal	MTCTE portal	To be announced
Effective Duration	2,3,5 years depending on fee	No end date	5 years	5 years
Domains	Safety (IS 13252, IEC 60950)	Radio Frequency	Safety (IS 13252, IEC 60950, IEC 62368), EMC/ EMI, Radio Frequency Telecom	Communication Security
Product categories	Consumer ICT products	Telecom products in delicensed band	All telecom products	All telecom products
Products common in Scope with MTCTE	IPMCE, Servers, Smart Cameras,	Wi-Fi Access Points	IoT Gateway, Wi-Fi Access Points, WLAN Controller Equipment, PTP PMP Wireless Access Equipment, Smart Camera, Router, LAN Switch, Optical Networking (DWDM), IP MCE, Conferencing Equipment, IP Security Equipment	IP Routers, PON Devices, SDH/SONET, DWDM, DXC, Wi-Fi Products, IoT/Cellular Gateway, etc.
Avg lab Test cost (INR)	80,000 – 120,000	0 (No in-country testing, submit global TR)	10,00,000 – 40,00,000	10,00,000– 40,00,000
Avg Cert Cost	100,000	10,000	300,000	300,000

4.291 Some stakeholders have suggested that, in a world of convergence where telecom, IT and media are merging, all end user consumer products like smart watch, phones should fall under the MeitY/ BIS certification scheme. They are of the opinion that these products have a heavy dependency on applications, software, safety and security much beyond the hardware and connectivity of the device. All the core telecom nodes and equipment like mobile switching elements, gateways, radio, and access products which talk directly to the core switching nodes like radio base stations etc. can be tested and certified by TEC. They opined that TEC has adequate experience and know-how of the intricacies of such telecom and wireless core, radio products and solutions, a knowledge built up over the decades. Thus,

- Consumer ICT end products – tested by MeitY/ BIS
- Telecom Core nodes and equipment – tested by DoT/ TEC

4.292 Yet another set of stakeholders have proposed a different way of integrating common testing schemes. They have suggested the following integration:

I. Integration of ETA and MTCTE

As is evident from **Table 4.6**, there is an overlap between products and testing parameters between ETA and MTCTE. WPC also requires only global test reports, which is currently valid under the MTCTE regime till 30th June 2023. Further, both respective agencies – WPC and TEC are under the domain of the DoT. Considering this, the following is proposed:

- i. Option 1: Subsume ETA approval for WiFi products under MTCTE scheme. Eliminate separate filing entirely for ETA approvals.
- ii. Option 2: Retain ETA approvals but offer a section within the MTCTE portal to seek ETA approvals. This will eliminate separate filing for ETA approval under the SaralSanchar portal.

II. Integration of CRS and MTCTE

There is also an overlap between products that are covered under the present phases of both CRS (MeitY) and MTCTE regulations. In a recent MATCOF by TEC, more consumer products like Servers and ICT equipment are proposed under Phase V, which is expected to be made mandatory soon. Integration can be done in phases:

- a. Phase 1- Use of single safety test report across CRS and MTCTE
 - i. Testing for common products for both should be done under MTCTE by TEC and safety results to be used for CRS.
 - ii. Products that are not covered under TEC, separate safety testing to be performed by BIS but test reports need to be used in future for TEC (in case these products come TEC scope)
 - iii. Safety test reports should be acceptable by both departments irrespective of labs. (TEC should accept test reports from BIS approved labs and vice-versa)
- b. Phase 2- Integration of complete process:
 - i. Common portal for BIS and TEC with various option of roles access – separate users for BIS and TEC; User authorization of the portal should be given to multiple users for the given company
 - ii. Portability of test reports and report formats across BIS and TEC
 - iii. Optimization of certification fee between 2 agencies with single payment.
 - iv. Single certification to be leveraged for BIS and TEC

- v. Uniform documentation
- vi. Single label
- vii. Single cert repository
- viii. Single renewal timeline & process
- ix. Internal alignment of various dept.

Analysis of the issue and views of the Authority

4.293 The Authority understands that due to technological convergence, there is a thin line between equipment used in the sector. Testing of telecom domain is done to check the following parameters:

- Safety requirements
- Security requirements
- Radio Frequency
- EMI/ EMC
- Technical Requirements
- Other Requirements

4.294 BIS is the national standards body of India under Department of Consumer Affairs. For certain types of products, manufacturers are required to have BIS registration under CRS scheme to import them in India. BIS registration ensures quality, safety and reliability of products in accordance with Indian Standards (IS). The BIS registration under CRS was introduced by MeitY in 2012 for 15 product categories. Since then, new products have been added in phases. Based on the regulations published by MeitY, foreign products for the Indian market can also obtain BIS registration. The BIS-CRS registration mainly covers products in IT, electronics and lighting categories. List of products subject to registration is constantly being expanded. This makes BIS registration according to CRS as important registration in India.

4.295 MTCTE scheme of TEC was launched on 01st October 2019 for telecom network elements for certification of telecom equipment against Essential Requirements (ERs). The Testing and Certification framework requires that telecom equipment meet the essential requirements under:

- (a) EMI/ EMC
- (b) Safety
- (c) Technical requirements
- (d) Other requirements and
- (e) Security requirements

Security requirements of MTCTE is carried out through a scheme called 'Communication Security Certification Scheme' (ComSec).

4.296 NCCS wing of DoT, established a Security Assurance Standards Facility in Bangalore, which is responsible for implementation of this scheme.

ETA is mandatory for every equipment or device that operates in the de-licensed frequency bands granted by WPC.

4.297 From the above, it can be seen that there exist certain common testing parameters and requirements between the testing and certification carried out by each Ministry/ Department. The Authority has noted that this issue is also addressed by DoT and MeitY vide press release dated 30th April 2022¹⁰¹. It is notified that DoT in consultation with MeitY examined the issue and has decided to exempt following products from the ambit of MTCTE regime:

- a) Mobile User Equipment/ Mobile handset (Mobile phone)
- b) Server
- c) Smart watch
- d) Smart camera
- e) PoS Machine (Point of Sale Devices)

It is one of the many steps taken towards achieving EoDB in the sector. However, gazette notification for the same is yet to be released.

4.298 The Authority is of the view that expertise and knowledge of a department needs to be factored in while deciding the certification ownership of a product. Multiple certification requirements should be avoided as much as possible and a simple procedure comprising simplified equipment certification should be conceptualized.

4.299 While framing guidelines, testing requirements, procedures, it is important to ensure that there is no fragmentation, duplicity and overlap. The Authority is of the view that a committee should be formed comprising two senior level officers of Joint Secretary level each from MeitY, DoT WPC, TEC and BIS and two representatives from product manufacturers involved in testing and certification of products. The main objective of the committee should be to ensure that there is no overlap between the various testing agencies or testing standards. The testing domain for each product should be clearly demarcated. The departments should discuss and finalize which standard is to be issued instead of publishing conflicting standards and thereby increasing the burden on the OEMs.

4.300 It is observed that most of the overlaps are occurring at the following two places:

- a. MTCTE and ETA
- b. MTCTE and BIS CRS

4.301 The overlap between MTCTE and ETA should be addressed by integrating the MTCTE and ETA portals. For testing of the product, the

¹⁰¹ <https://www.pib.gov.in/PressReleaseDetailm.aspx?PRID=1821530>

applicant should apply at a single portal. Internal workflows should be created from MTCTE portal towards WPC ETA and vice-versa. From applicant's point of view, there should be a single point of contact (portal) to have a seamless experience and avoid any confusion. Final downloading of the testing certificate/ approval should also be available on a single portal.

4.302 Similarly, the second overlap between MTCTE and BIS CRS can again be resolved by making a single window portal, where the applicant has to first select the product, thereafter the portal itself should guide that the product falls under which registration scheme. The portal should redirect accordingly. This portal will again guide the applicants regarding the labs available for the testing.

4.303 At the same time, it must be ensured that the products under MTCTE and BIS CRS are not repeated. To ensure this, the committee should clearly bifurcate the new products coming in for testing either falling in the MTCTE or BIS CRS schemes.

4.304 Stakeholders have suggested that TEC should provide certification to STBs deployed and used for retransmission of cable television signals. The Authority, vide its Order dated 20th September 2021¹⁰² has designated 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).

4.305 In light of the above discussions, **the Authority recommends that:**

a. To avoid duplicity in testing of telecommunications products, DoT should constitute a standing committee comprising two senior level officers of Joint Secretary level each from:

- i. MeitY**
- ii. DoT WPC**
- iii. TEC**
- iv. BIS**
- v. Two representatives from product manufacturers**

The committee should clearly identify a single testing scheme under which the product needs to be tested.

b. Internal workflows should be created across processes of Equipment Type Approval (ETA) of WPC, Mandatory Testing Certification of Telecom Equipment (MTCTE) of TEC and Compulsory Registration Scheme (CRS) of MeitY/ BIS in the respective portals of each scheme for seamless access and

¹⁰² https://www.trai.gov.in/sites/default/files/PR_No.43of2021.pdf

ease of testing of telecom products.



CHAPTER V

GRANT OF PERMISSIONS BY DEPARTMENT OF SPACE, MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY AND MINISTRY OF POWER IN RESPECT OF TELECOM AND BROADCASTING SECTOR & COMPLIANCE REQUIREMENT AT TRAI

- 5.1 In addition to obtaining permission/ license from DoT/ MIB, there are some more permissions/ clearances required from other ministries and departments. To have a holistic view, the approvals required by other ministries are also reviewed in the Consultation Paper from the perspective of achieving EoDB in telecom and broadcasting sector only. Such ministries involved, their role in the said sectors, the ways suggested to ease out existing processes are discussed in this chapter.

Department of Space (DOS)

- 5.2 Satellite services are essential for business, social and scientific applications, delivering communications to many parts of the world. To operate a satellite network, it is necessary to obtain access to spectrum for uplink (Earth to space) as well as downlink (space to Earth) path. It is also necessary to secure an orbital position in space for the satellite. Spectrum and orbital positions are planned to avoid interference and ensure adequate separations between satellites. It is thus essential to have an efficient mechanism to assign and coordinate frequencies.
- 5.3 DOS is involved in providing space segment capacity through the Indian National Satellite (INSAT) system. INSAT is a multi-agency, multi-purpose satellite system launched by Indian Space Research Organization (ISRO). It provides transponders in various bands to serve TV broadcasting and communication needs of India. The satellites in INSAT system are either built by DOS or procured. New Space India Limited (NSIL), the commercial arm of DOS is involved in provisioning transponders in C, extended C, Ku and Ka band on INSAT/ GSAT satellites. It caters to the satellite requirements like DTH, VSAT, TV (Uplinking/ Downlinking of channels), DSNG. In addition, NSIL is also provisioning transponder capacity from foreign satellites to Indian users on a back-to-back arrangement basis.
- 5.4 DOS allocates both fresh and additional space capacities required by following telecom and broadcasting services:
- i. Commercial CUG VSAT service license
 - ii. Captive CUG VSAT license
 - iii. GMPCS Operators (Sui-Generis license-BSNL)

- iv. INSAT MSS-R license
- v. Broadband/ Internet using Satellite
- vi. International Internet Gateway
- vii. DTH/HITS/Broadcasters/Teleport Operators
- viii. SNG/DSNG

- 5.5 To obtain a new satellite capacity or augment in existing network, an operator applies to the Apex Committee to get in-principle approval. This committee got renamed as Inter-Ministerial Committee for Satellite Network Clearance (IMC-SNC) post SATCOM reforms 2022. It has members from DOS, MIB, WPC & NOCC. It examines proposals for technical feasibility & compliance to TEC/ ITU specifications.
- 5.6 The user submits applications in prescribed INSAT/ GSAT Capacity Requirement Format (ICRF) through the concerned Ministry. An interest-free, refundable deposit, referred to as INSAT/ GSAT Capacity Requirement Deposit (ICRD), is to be paid along with ICRF for registration. ICRD is fixed at Rs 50,000/- per MHz of transponder capacity. DOS provides allocation of capacity and frequency spectrum by way of an 'allocation letter'. The process is currently offline. The applicant on receiving in-principle approval by IMC-SNC and space allocation letter by DOS, applies for frequency assignment to WPC and NOCC which has been already discussed in Chapter V.
- 5.7 The Authority in the Consultation paper has raised the following questions with respect to process of space segment allocation.

Q13. Whether the present system of getting fresh and additional space segment capacity on Indian and foreign satellites for various services mentioned or any other new service from DOS 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 space segment capacity*

Give your suggestions with justification for each service separately with detailed reasons along with examples of best practices if any.

Q14. Whether the existing procedures to acquire a license for providing satellite-based services in the existing framework is convenient, fast, and end-to-end online for the applicants? If not, what other measures are required to simplify the various processes to enable ease of doing business in India for satellite-based services? Give details along with justification.

A. Process of hiring space capacity from DOS to be integrated with the Single window portal of DoT/ MIB

Comments of the Stakeholders

- 5.8 Some associations and service providers submitted that DOS process should be made online. MIB/ DoT portals should be integrated with DOS. This will reduce timelines and make administrative process faster. ICRF should be filed online. DOS should provide information about bandwidth capacity available on website to make the process transparent and clear. One stakeholder suggested that time taken for new satellite capacity allocation should be a maximum of 75 days process and additional satellite capacity allocation should be done in 30 days' time.
- 5.9 Foreign satellites are permitted to provide services only after it is coordinated with ISRO. With this fact, stakeholders suggested that MIB should obtain list of such foreign satellites from DOS that are coordinated with ISRO, and this list should be made available on MIB's website. Any application on such co-ordinated satellites should be approved automatically. This will enable service providers to be aware of the permitted foreign satellites, and avail services from them.

Analysis of the issue and views of the Authority

- 5.10 As far as broadcasting sector is concerned, the applications which require space capacity (like uplinking of TV channels or DTH) is forwarded by MIB to DOS. However, in telecom sector, after getting UL from DoT, the applicant submits applications in the form of ICRF to DOS offline.
- 5.11 DOS checks for the availability of satellite according to the associated parameters sought by applicant. The application is further forwarded by DOS to NSIL for checking outstanding dues, agreement negotiations with foreign satellite operators (in case of non-availability of Indian satellites), payment of fees, interference issues, etc. This communication between DOS and its arms is currently offline through emails. Within DOS, the process at NSIL should also be online.
- 5.12 The Authority had previously also highlighted the need of having such single window system for getting satellite capacity. Accordingly in its recommendations on 'Licensing Framework for Satellite-based

connectivity for Low Bit Rate Applications’ on 26th August 2021, the Authority has recommended that DoT should put in place a comprehensive, simplified, integrated, end-to-end coordinated, single window online common portal, having inter-departmental linkages for transfer of application and information for parallel processing, for all the agencies involved in grant of various approvals/ permissions/ allocations, etc., like DOS, DOT, WPC and NOCC, wherein the service licensees can place their request and the agencies respond online in a transparent and time-bound manner. All the guidelines, applications forms, fee details, processes, timelines and application status should be made transparently available on the portal. The National Single Window System (NSWS) portal established by the Department for Promotion of Industry and Internal Trade (DPIIT), known as ‘Maadhyam’, may include Department of Space (DOS) also, as the service licensees are required to apply to DOS for satellite transponder bandwidth.

- 5.13 The Authority in its earlier recommendations on ‘Ease of Doing Business in Broadcasting Sector’ dated 26th February 2018 has also recommended that DOS should take the decision on clearance for satellite use for broadcasting services within a period of 60 days and in cases where a broadcasting company is seeking permissions for uplinking of new satellite TV channels to the already cleared satellites, the process of seeking fresh clearance from DOS should be done away with. However, MIB in its back reference dated 19th November 2018 has communicated that DOS gives clearance as per its own policy. MIB will refer to DOS for its comments.
- 5.14 Furthermore, regarding publishing the list of co-ordinated satellite on the website, the Authority in its recommendations on ‘Licensing Framework for Satellite-based connectivity for Low Bit Rate Applications’ on 26th August 2021, has recommended that the Government may publish a list of approved foreign satellites/satellite systems based on their technical and security evaluation, from whom the service licensees may procure the satellite capacities. The service licensees should be permitted to choose the foreign satellite/satellite system from the approved list and to lease the satellite capacity directly from the chosen foreign satellite/satellite system.
- 5.15 The Authority is of the view that communication between DOS and its arms for the purpose of space segment allocation should happen online. Status of application should be transparently available to applicant. Further, a mechanism for a two-way query system should be incorporated in portal. A reasonable timeline should be prescribed by DOS and the same should be updated in citizen charter of DOS, MIB and DoT.

5.16 The Authority is of the view that both DoT and MIB should integrate DOS in their respective portals. The in-principle approval, the transponder capacity allocation, the frequency assignment and all other processes should be subsumed in the portal. Timelines should be well-defined for each stage, including the stages of frequency assignment by WPC, NOCC. Such stages of the application should be clearly demarcated and listed and the application stage should also be visible to applicant. In other words, the portal should have all the characteristics of single window system as detailed in Chapter II.

5.17 Apropos to the above, **the Authority recommends that:**

- a. **MIB/ DoT portals should be end-to-end integrated with Department of Space (DOS) and fully functional for all services requiring space segment.**
- b. **Stage-wise status of the application should be transparently visible to the applicant. Timelines for each stage should be clearly defined. A two-way query system should be incorporated.**
- c. **Within DOS, the processes at NewSpace India Ltd. (NSIL) should also be online to ensure transparency and time-bound processing.**

5.18 Further, **the Authority recommends that DOS should publish a list of the following on the portal:**

- a. **Indian satellites details and the capacity availability.**
- b. **Approved Foreign satellites/ satellite systems, their orbital locations, transponders and frequency availability and their other technical and security parameters.**

B. In-principle approval by the Inter-Ministerial Committee for Satellite Network Clearance (IMC-SNC - erstwhile Apex Committee)

5.19 After the transponder capacity is allotted to the applicant, they have to approach WPC and NOCC for frequency assignment. This frequency assignment needs simplification as discussed in the chapter V of these recommendations. However, there are some other issues also faced by the service providers because of the delay experienced in the frequency assignment process which are discussed below.

Comments of the Stakeholders

5.20 Some stakeholders have commented that the IMC-SNC (erstwhile the Apex Committee) has representatives from across DOT, DOS, DGCA, Prasar Bharti, MOD, etc. and as all the agencies are involved, the steps beyond this point become redundant from a permission standpoint. After obtaining satellite capacity from DOS, the need for getting WPC operating license, and the NOCC network approach, are natural

corollaries which should be approved automatically because the effects are already approved.

- 5.21 One of the stakeholders has mentioned that the present process of Apex meeting-based clearances needs to be simplified with a full-time committee that is available on regular basis. As Apex meeting is not held periodically on fixed timelines, there are prolonged delays in clearance of new solutions. Accordingly, they submitted that Apex meeting should be scheduled more frequently, i.e., at least once every month.

Analysis of the issue and views of the Authority

- 5.22 The Authority disagrees with the suggestion that WPC and NOCC approvals are not required. Even if the IMC-SNC has representatives from all the concerned Ministries/ departments, the steps thereafter are essential for satellite and spectrum allocation. Moreover, with the emerging technologies, the need for satellite by the service providers has also increased. Thus, it would be fair that the Apex meetings occur more frequently say once in two months or receiving upon any applications, whichever is earlier. This would expedite the in-principle approvals. The meeting should be held online.
- 5.23 In view of this, **the Authority recommends that the Inter-Ministerial Committee for Satellite Network Clearance (IMC-SNC) should meet at least once in two months or on receiving upon any application, whichever is earlier to expedite the in-principle approvals. The meeting should be held online.**

C. DOS Charging Issues

- 5.24 DOS starts charging the service provider for the satellite from the day of allocation of the satellite bandwidth. The service providers are charged as per the agreement signed with satellite provider. However, a service provider cannot use the allocated satellite bandwidth before getting approval for the same from WPC and NOCC.

Comments of the Stakeholders

- 5.25 DOS charging is one of the pressing issues raised by the stakeholders. According to them, WPC and NOCC takes much time in giving such approval and till that time, they are paying charges for the satellite bandwidth that are obviously unused till the final uplink permission is granted. They have proposed two ways in which this issue can be resolved.
- 5.26 One such proposal is the pre-approval of the satellite bandwidth by WPC, NOCC eliminating the need of going through the delayed process of frequency assignment. The other suggestion is that DOS should charge the users/ applicants from the day of actual use of the bandwidth after

getting all the requisite approvals by granting a reasonable period of say 3 months for such approval.

- 5.27 Further, they have commented that there also exists uncertainties in DOS charging process, wherein DOS revises charges retrospectively and collects the difference from the service providers.

Analysis of the issue

- 5.28 Whenever DOS allocates space segment to service provider, the next step is frequency assignment by WPC/ NOCC. One of the essential responsibilities of WPC is to monitor and administer frequency spectrum and NOCC ensures interference. Hence, WPC/ NOCC should know the frequencies used by service providers. Thus, the Authority is of the opinion that pre-approving the satellite bandwidth by WPC and NOCC is not an acceptable suggestion. The role of WPC and NOCC cannot be compromised as these approvals handles with interference issues.
- 5.29 As regards the charges paid for transponder capacity, the Authority has also noted that a 90-day waiver mechanism has been introduced by DOS, however the mechanism expects to obtain the other approvals from WPC, NOCC also within 90 days, which has not been the case in the past years. Hence this 3-month waiver on DOS charges could not be effectively used because of the delays experienced in the frequency assignment by WPC and NOCC. However, the satellite communication reforms propose the process of frequency assignment by WPC/ NOCC to be done in 5-6 weeks. With this initiative, the Authority believes that the frequency will be assigned within 90 days and the provision of a 90 day waiver could be made use for future approvals.
- 5.30 Further, if the proposed integrated single window system and the proposal to simplify frequency assignment process is adopted, the movement of applications would become easier and time bound. In such a scenario, the provision of a 90 day waiver by DOS would be sufficient.

D. Long term agreements with satellite operators

- 5.31 The uplinking and downlinking permission issued by MIB is valid for a period of 10 years whereas the validity of the DOS permission/ approval is valid for 3 years.

Comments of the Stakeholders

- 5.32 Service providers suggested that validity of permission issued by DOS for use of satellite and transponder should be the same as permission for uplinking and downlinking of TV channels issued by MIB. One broadcasting association commented that foreign operators offer longer term contracts at significantly lower prices. As broadcasting is a long-term continuing business, broadcasters prefer to have 3 year, 5 year or

longer contracts as may be permitted by ISRO. In many cases, due to local restrictions on licensing, broadcasters prefer to go to foreign players and uplinking services where contracts are available for long term with as much as 50% discount. Indian broadcasters have been requesting to offer longer term contracts instead of year-on-year renewals.

Analysis of the issue and views of the Authority:

- 5.33 According to the 'Uplinking Downlinking Guidelines, 2022', the permission for renewal of uplinking and downlinking of TV channels is for a period of 10 years. If the service providers could be allowed to enter into long term service contracts with satellite operators, it will reduce the overall costs of satellite bandwidth significantly and ensure certainty in business. It may also be recalled that the Authority in its recommendations on 'Licensing Framework for Satellite-based connectivity for Low Bit Rate Applications' on 26th August 2021 has *inter-alia* recommended that "*The current practice of permitting hiring of foreign capacity for a limited period of 3 to 5 years should be removed and the service licensees should be permitted to hire the foreign satellite capacities for a longer period as per need*".
- 5.34 DOS should consider increasing the validity of satellite capacity provided. However, in order to tackle the non-serious players, a stringent criterion as deemed fit by DOS may be adopted. Hence, the Authority is of the view that DOS should allow long term agreements with domestic as well as foreign satellite operators subject to mission life of the satellites and payment of requisite fees.
- 5.35 In view of the above, **the Authority with respect to hiring of foreign satellite capacity:**
- a. ***Reiterates that the current practice of permitting hiring of foreign capacity for a limited period of 3 to 5 years should be removed and the service licensees should be permitted to hire the foreign satellite capacities for a longer period as per need.***
 - b. **Recommends that long term agreements with foreign satellite providers should be allowed to ensure business certainty. Such long-term agreement may be subject to the mission life of the satellite, plan of launch of similar satellite by the country (ISRO), payment of requisite fees etc.**

E. Future roadmaps regarding satellite launch

- 5.36 Few stakeholders commented that DOS should publish the future roadmaps regarding satellite launch and use on its website so that users can plan accordingly. It is quite likely that some capacity of a satellite is

not allotted to any service provider. It is important that service providers are aware of such unallotted capacity.

- 5.37 The Authority has noted that the list of operational satellites¹⁰³ as on date is available on the website of ISRO, DOS. However, the official list of future launch of satellites is not available on the website. It may also be recalled that the Authority in its recommendations on 'Licensing Framework for Satellite-based connectivity for Low Bit Rate Applications' on 26th August 2021 has *inter-alia* recommended that *the Government may come out with a roadmap detailing schedule of launch of communication satellites and availability of the domestic satellite capacities in India to facilitate the service licensees to plan and optimize their capacity procurement*. The Authority reiterates these recommendations, as it helps the service providers to plan/ expand their businesses.
- 5.38 Accordingly, ***the Authority reiterates that the Government may come out with a roadmap detailing schedule of launch of communication satellites and availability of the domestic satellite capacities in India to facilitate the service licensees to plan and optimize their capacity procurement.***

F. Other policy related issues

- 5.39 Many stakeholders commented that since ISRO satellites are not readily available with sufficient capacity, many of the Indian broadcasters use foreign satellites in addition to INSAT/ GSAT satellites. Also, Indian satellites are not well equipped to provide replacements or backups in case of technical glitches. Thus, they have suggested that there should be an open sky policy for all the satellite requirements in India.
- 5.40 Stakeholders have also raised their concerns regarding the fallback/ replacement of satellites on same location or co-located orbital position after expiry of satellite. They have accordingly demanded that such cases should have an automatic approval. If a satellite is replaced by ISRO due to end of life or other reasons, the teleport approvals on the satellite should automatically get transferred to new satellite, without need for fresh application.
- 5.41 Some stakeholders opined that DOS/ ISRO insists for six months security deposit besides advance billing/ payment for a typical satellite contract. They have submitted that there should be no deposit from the users. If at all deposit is mandatory then it should be in the form of BG.
- 5.42 The Authority is of the view that open sky policy, concerns regarding end of life of a satellite and the issues arising thereof, the submission of BG

¹⁰³ <https://www.isro.gov.in/CommunicatioSatellitenNew.html>

in place of ICRD are policy matters. They are outside the purview of EoDB and the same has to be taken into consideration by DOS while making amendments.

Ministry of Electronics and Information Technology (MeitY)

- 5.43 MeitY is the nodal ministry for providing compulsory registration, certification, and surveillance of ICT products. Since these ICT products are also deployed in telecom and broadcasting sectors also, the holistic view of the sectors in the CP also involved processes at MeitY from the perspective of EoDB in these two sectors.
- 5.44 MeitY provides registration/ surveillance of electronics and IT goods along with the Bureau of Indian Standards (BIS), which are as follows:
1. Standards and Certification of Compulsory Registration Scheme (CRS)
 2. Conducting Surveillance of Products
 3. Renewal of registration
 4. Critical Component List (CCL) Update
- 5.45 The Authority asked a similar question (refer **Q15**) with respect to the above-mentioned registration/ surveillance provided by MeitY along with BIS which requires improvements from the perspective of EoDB.

G. Compulsory Registration Scheme

- 5.46 MeitY notified 'Electronics and Information Technology Goods (Requirement for Compulsory Registration) Order, 2012' on 03rd October 2012¹⁰⁴ initially for 15 categories of electronics items. Subsequently more product categories have been added under this scheme. As per the Orders, no person shall manufacture or store for sale, import, sell or distribute goods which do not conform to the Indian standard specified in the Order. Manufacturers of these products are required to apply for registration from Bureau of Indian Standards (BIS) after getting their product tested from BIS recognized labs. The registered manufacturers are then allowed to use the Standard Mark notified by the Bureau.

Comments of the Stakeholders

- 5.47 Stakeholders commented that certification process under CRS has been operational since 2013. The certification lead time, which was 4 to 6 weeks till the end of 2019, has been reduced to 1 to 5 days. The remarkable reduction in the certification time was achieved through concerted efforts of BIS over the past several years. However, for last few months there has been a drastic increase in BIS certification time leading to delays with no clear timelines.

¹⁰⁴ https://www.crsbis.in/BIS/app_srv/tdc/gl/docs/gazette_notification_2012_10_03.pdf

- 5.48 They suggested that well-defined timelines for each stage should be made available to an applicant to view lifecycle of the application from submission to approval including all intermediate steps. According to them, when a product under CRS requires certification from BIS, the following steps are to be undertaken:
- (i) Testing of a product in BIS accredited Indian lab
 - (ii) Report submitted to BIS with all documentation
 - (iii) BIS reviewer scrutinizes the technical test report
 - (iv) BIS reviewer raises query, if any
 - (v) BIS reviewer approves the technical report, if response to the query is accepted
 - (vi) BIS reviewer changes status of the application to 'Decision awaited from Granting Officer'
 - (vii) Granting Officer grants the registration
 - (viii) BIS certificate of product is available online for download
- 5.49 The stakeholders have submitted that manufacturers undertake steps (i) and (ii). BIS have control on steps (iii) to (viii), out of which steps (iii) to (vi) have been working smoothly. However, the applications that move to step (vi) get stuck there for long, before getting the BIS certification at step viii. Because of this bottleneck at step (vi), the overall process gets delayed, which impacts the certification of products covered under CRS. This delay in BIS approval in turn impacts the product new launches and the business incurs losses.

Analysis of the issue and views of the Authority

- 5.50 The Authority has noted that the erstwhile BIS Act of 1986 was replaced by a new BIS Act on 22nd March 2016¹⁰⁵ in view of changed technical and commercial environment.
- 5.51 The Authority is of the view that objective of the Government to list products under a compulsory certification scheme has been on the grounds of safety, health, national security, environment, and mitigation of deceptive practices. It is observed that testing, registration and certification, renewal and CCL updates are being administered and managed through online portal of BIS (www.crsbis.in). The portal provides various relevant information regarding procedure to be followed, labs to be contacted for testing, testing report formats, smart registration to the service providers of the manufacturing ecosystem.
- 5.52 The issues raised by the stakeholders are also mostly related to timelines for each step involved in the process of issuing certification/ registration. The Original Equipment Manufacturer (OEM) initially submits sample

¹⁰⁵ <https://bis.gov.in/wp-content/uploads/2020/12/BIS-Act-2016-Bilingual.pdf>

details in the portal and send test request to any approved Laboratory. After getting confirmation from the lab, they send sample and a copy of test request within 60 days of generation of test request to the Laboratory. Then, the test is conducted by the laboratory, test report is generated. This test report along with the undertaking regarding declaration of conformity, and other prescribed documents are submitted for application of registration. BIS scrutinizes the applications and queries, if any, are raised on the application by BIS online which must be replied by applicants online. Thus, it can be seen that there are multiple steps involved before the issuance of the final certification.

- 5.53 The Authority is of the view that introducing well-defined timelines for each stage will quicken the certification process. The process is already online, prescribing timelines will address the issues of the stakeholders. The Authority is of the considered opinion that MeitY in consultation with BIS should describe timelines for each stage for registration of products under CRS. Further, one has to note that the time taken during certification process also depends on the queries raised in an application and the time taken by the applicant to respond. In such cases, the clock should start/ stop whenever the query is raised/ responded by the applicant.
- 5.54 Apropos to the above, **the Authority recommends that MeitY in consultation with BIS should define stagewise timelines for registration under Compulsory Registration Scheme in respect of product certification.**

H. Other issues

Comments of the Stakeholders

- 5.55 Many stakeholders have further commented that any upgrade in the online portal or existing process should be well-informed so the testing labs can adapt themselves accordingly. They have provided an example in which Laboratory Information Management System (LIMS¹⁰⁶) process/ tool was introduced by BIS in August 2021 for labs and OEMs without any prior intimation. Labs were not having experience in using the new tool and the result was delay in generating test requests and uploading the test reports. On the day of notification, Frequently Asked Questions (FAQs) and Test Report Format (TRF) both should be published. Delay in releasing the TRF should mean that OEMs cannot start the certification/ changeover process.

¹⁰⁶ <https://lms.bis.gov.in/>

- 5.56 Stakeholders of ICT sector commented that the applicant does not get intimated on the queries being raised. The applicant is required to manually visit the portal every day to check new queries, or the status of the responses provided. Thus, they have recommended that whenever any query is raised by BIS, the applicant and manufacturer, both should be intimated through e-mail and/ or SMS. Moreover, similar queries are asked for different products/ factory when the response had already been submitted and accepted. The queries and responses for a particular product/ model/ factory needs to be in sync.

Analysis of the issue and views of the Authority

- 5.57 The Authority is of the view that the above issues mentioned by stakeholders are some of the basic facets of any portal. Service providers can be familiarized about a new tool with the help of user manuals and FAQs. There should be a provision of automated intimation about the queries to the applicant's email and SMS. These features of any single window portal are already discussed in detail and recommended in Chapter II.

Ministry of Power

- 5.58 Electricity and power supply is an essential element for any business operation. There has to be a continuous power supply available for running the operations in a smooth manner. One of the 10 parameters of World Bank's annual Doing Business Report 2020 for assessing the ranking in terms of EoDB is 'Getting electricity'.
- 5.59 Ministry of Power provides power to telecom and broadcasting sectors, amongst the various other sectors. Telecom network consists of core equipment that is connected to radio network elements installed at various locations of the country. The radio base stations require reliable and uninterrupted power supply for providing seamless telecom connectivity to users. Optical Network Units (ONT), switches and Networks Operation Centre (NOC) of ISPs require power for their operations. Similarly, in broadcasting sector also, uninterrupted power supply is required for continuous functioning of earth station for DTH, teleport operators, and headend for MSO cable TV business. The Authority has raised the following question and sought views from stakeholders on ways to achieve EoDB in telecom and broadcasting sectors only:

Q16. What are the issues being faced by various service providers in seeking stable and committed quality power supply connections from power DISCOMS? For statewide 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?

I. Power supply to the service providers

Comments of the Stakeholders

- 5.60 Many stakeholders are of the opinion that operators should receive power supply within a specific timeframe after making application to Electrical Board. Further, all processes related to application, payment of fees etc. should be made online through a single body i.e., the Central Electricity Board (CEB). CEB in turn should percolate this request to respective State Electricity Board for providing connection in a time-bound manner. Some stakeholders have specified that electricity connection should be given on priority for telecom sites, say within 15 days. On contrary, some stakeholders commented that a single window contact is often not effective to get power supply in a time-bound manner as it is delayed at field level of Distribution Companies (DISCOMs) due to various reasons. Region-wise single point contact will be more effective than state single contact. One association has submitted that it is very difficult to get power supply for various locations from a single window contact because of the presence of multiple DISCOMs in single state. Thus, they have suggested that the DISCOMs should be integrated first, and the common discounted tariffs can be provided for telecom which can provide big boost and ease for the sector.
- 5.61 Some stakeholders commented that presently service providers face power cuts from time-to-time. This affects both cable and ISP business leading to disruption in services to end user. To ensure seamless services, Diesel Generator (DG) sets and Lithium-ion batteries are deployed as power back up, on which huge costs are incurred. High cost is incurred for electrification of the sites from main grid specially in border areas states and North-eastern States. States need to give subsidy and share this cost for laying of the electric lines. Therefore, they have suggested that the electricity board should consider provisioning of 'Hotline' i.e., dedicated supply to telecom and broadcasting sector in a similar manner as made available to railways, metro, hospitals, Doordarshan, crematorium, etc.
- 5.62 They have also expressed the unavailability of power for USOF projects. At the sites installed in remoter locations of USOF scheme, either grid power is not available, or it doesn't exist. This creates power-cuts especially during severe weather conditions. Provisioning of power supply through alternate arrangements like DG is also difficult due to accessibility issues. Accordingly, they have recommended that the State Authorities should provide a framework wherein such sites are provided with a reliable grid power on priority. Stakeholders also demanded to

lower the electricity tariff, more specifically based on industrial tariff or utility tariff.

- 5.63 Some stakeholders have commented that for renewable energy sources, Open Access Policy is very promising. However, due to the limitations of minimum connected load of 1MW prescribed under the Open Access Policy, TSPs are unable to make use of it, since a single tower may consume around 15KW to 20KW of energy. They have suggested that Open Access Policy should be allowed without any policy restrictions on minimum usage.
- 5.64 Regarding billing, few stakeholders have submitted that a consolidated billing and payment with electricity availability hours for the period of bill should be provided on the company's registered email id to eliminate the time and effort required for physical collection and download of thousands of bills. Further, consolidated online payment should be allowed to avoid late payment and disconnection.

Analysis of the Authority and views of the Authority

- 5.65 In India, there are 57 Distribution Companies (DISCOMs) spread across 27 states/ UTs¹⁰⁷. Most DISCOMs are state-owned, and only about 10 per cent of India's population is served by private distribution licensees¹⁰⁸. DISCOMs are responsible for the supply and distribution of energy to consumers (industry, commercial, agriculture, domestic etc.). The service providers have to apply to a DISCOM in the respective region to get power supply for their station. The Authority has noted that most of the DISCOMs have online portals through which the applications can be submitted online. As stakeholders have pointed out, the Authority is also of the view that a centralized single point of contact would not be as efficient as region-wise point of contact for submitting applications for getting power supply.
- 5.66 Telecom sector is one of the most critical sectors as it enables connectivity among humans, industries, device and machines. The National Telecom Policy of 2012 also recognizes telecommunication for socio economic development of the country. Telecom services are essential services under Section 2(1)(a)(i) of the Essential Services Maintenance Act, 1968¹⁰⁹. The telecom sector is a public utility service under Section 22A(b) of the Legal Services Authorities Act, 1987¹¹⁰. To meet the connectivity requirements of the country, service providers are required to maintain a network uptime of 99.95%. Considering that

¹⁰⁷ https://mnre.gov.in/img/documents/uploads/file_s-1584096172000.pdf

¹⁰⁸ https://www.niti.gov.in/sites/default/files/2021-08/Electricity-Distribution-Report_030821.pdf

¹⁰⁹ <https://indiankanoon.org/doc/902835/>

¹¹⁰ <https://indiankanoon.org/doc/26738839/>

telecom services are one of the essential services identified by the Government, applications dealing with providing new connection for a telecom service should be dealt with 'top priority'.

- 5.67 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. The Authority is of the view that interrupted power supply to telecom towers hinders smooth network operations, especially in rural areas. Providing a dedicated power supply for continuous functioning of telecom and broadcasting sectors will lead a long way in realizing EoDB. Accordingly, DoT/ MIB should take up this matter with Ministry of Power/ MNRE to come up with an efficient way in which reliable and uninterrupted power is available for the smooth functioning of network stations and head-ends/ earth stations.
- 5.68 The Authority in its recommendations has examined the power related issues and solutions for power supply, tariffs, Open Access policy to telecom sites in detail and provided its recommendations on 'Use of Street Furniture for small cell and aerial fiber deployment' dated 29th November 2022¹¹¹ wherein the Authority has *inter-alia* recommended *DoT should take up the case with Ministry of Power, State governments and SERCs for implementation of the following:*
- a. *DISCOMs should make provisions to provide connections for telecom sites to TSPs/IP-Is on priority basis. The timelines for providing the connection should be fixed (preferably 15 days) and monitored through portal.*
 - b. *Given the importance of DCI for socio economic development of States, DISCOMs should not charge the TSPs/IP-Is for installation/upgradation of transformer or for pulling the last mile of the electrical connection. If required, states should make necessary provisions for compensating DISCOMs for such waiver of charges.*
 - c. *As the power requirements for small cells remain almost flat throughout the day, DISCOMs should charge TSPs/IP-Is on the basis the running load and not on the sanctioned load.*
 - d. *All DISCOMs should treat Street Furniture Address as Commercial Address for the purpose of providing a power connection and allow multiple power connections at the same SF commercial address to different commercial entities.*
 - e. *DISCOMs should allow subletting of connections at street furniture locations.*

¹¹¹ https://traj.gov.in/sites/default/files/Recommendations_29112022_0.pdf

- f. *Smart prepaid electricity meters should be installed in all existing telecom installations on priority and in a time bound manner. Also on all new installations, including that for small cells, DISCOMs should only install smart prepaid meters.*
- g. *Provision for one application for bulk processing of connection requests for multiple sites should be made available through portals for promoting ease of doing business.*
- h. *Telecom sites should be provided electricity connection under Utility/Industrial tariff.*
- i. *DISCOMs should adopt One DISCOM One Bill One Payment policy for all Telecom sector service/infra providers users that use electricity connections at multiple locations.*
- j. *Open Access policy for using solar/renewable energy sources needs to be modified to incorporate provision to aggregate demand from all sites of a TSP/IP-I that are served by a DISCOM.*
- k. *DISCOMs should share their maintenance schedules with TSPs/IPs (site owners) in advance so that site owners can be prepared in the event of power cuts. The actual duration of all power outages should also be made available area wise on their website.*

5.69 These issues are also important from the perspective of ease of doing business, hence the Authority reiterates the following.

5.70 In view of the above, ***the Authority reiterates that DoT should take up the case with Ministry of Power, State governments and SERCs for implementation of following:***

- a. ***DISCOMs should make provisions to provide connections for telecom sites to TSPs/IP-Is on priority basis. The timelines for providing the connection should be fixed (preferably 15 days) and monitored through portal.***
- b. ***Given the importance of DCI for socio economic development of States, DISCOMs should not charge the TSPs/IP-Is for installation/upgradation of transformer or for pulling the last mile of the electrical connection. If required, states should make necessary provisions for compensating DISCOMs for such waiver of charges.***
- c. ***As the power requirements for small cells remain almost flat throughout the day, DISCOMs should charge TSPs/IP-Is on the basis the running load and not on the sanctioned load.***
- d. ***All DISCOMs should treat Street Furniture Address as Commercial Address for the purpose of providing a power connection and allow multiple power connections at the same SF commercial address to different commercial entities.***
- e. ***DISCOMs should allow subletting of connections at street furniture locations.***

- f. Smart prepaid electricity meters should be installed in all existing telecom installations on priority and in a time bound manner. Also on all new installations, including that for small cells, DISCOMs should only install smart prepaid meters.*
- g. Provision for one application for bulk processing of connection requests for multiple sites should be made available through portals for promoting ease of doing business.*
- h. Telecom sites should be provided electricity connection under Utility/Industrial tariff.*
- i. DISCOMs should adopt One DISCOM One Bill One Payment policy for all Telecom sector service/infra providers users that use electricity connections at multiple locations.*
- j. Open Access policy for using solar/renewable energy sources needs to be modified to incorporate provision to aggregate demand from all sites of a TSP/IP-I that are served by a DISCOM.*
- k. DISCOMs should share their maintenance schedules with TSPs/IPs (site owners) in advance so that site owners can be prepared in the event of power cuts. The actual duration of all power outages should also be made available area wise on their website.*

J. Incentivizing Renewable Energy Technology (RET) solutions

Comments of the Stakeholders

- 5.71 Stakeholders have further suggested that the sites with less than 12 hours power availability may be funded or subsidized for installation of Renewable Energy Technology (RET) solution, subject to technical feasibility. Ministry of Energy and Ministry of Renewable Energy (MNRE) may be approached to incentivize RET installations at such locations. This facilitation would help viability gap funding. A couple of stakeholders suggested that a stable 24x7 regulated power supply, preferably through 'green sources' is essential for providing a sustainable energy solution. DoT along with MNRE, may enable availability of sustainable energy across the country for all telecom installations in an affordable manner.

Analysis of the Authority and views of the Authority

- 5.72 The Authority is of the view that electricity consumption at each telecom site can also be allowed to be aggregated and offset with Green Power (solar, wind, hydro, etc.) generated at distant locations. This will help in reducing the overall carbon footprint for the sector. For areas where electricity supply is disrupted or not available, installation of solar panels with battery backup can be an option. Using this will have

excellent environmental and economic benefits including reducing pollution to a great extent, since there are no greenhouse gas emissions from fossil fuels, it reduces dependency on imported fuels.

- 5.73 Further, the Authority in its recommendations on ‘Approach towards Sustainable Telecommunications’¹¹² dated 23rd October 2017 has recommended that *the government should consider passing all possible benefits related to deployment of RET power to the Service Providers as per extant government schemes*. Thus, the Authority feels that, relying on such renewable energy sources in such remote areas where grid power cannot be extended to, is a good choice. Thus, the above recommendation is re-iterated. Further, the Ministry may consider providing financial assistance to install such RET solutions in the remote areas.
- 5.74 The Authority has noted that Ministry of Power has notified Electricity (Promoting Renewable Energy Through Green Energy Open Access) Rules, 2022 on 06th June 2022¹¹³. Vide this notification, open access transaction limit is reduced from 1 MW to 100 KW and appropriate provisions for cross-subsidy surcharge, additional surcharge, standby charge, will incentivize the common consumers to get Green Power at reasonable rates. With this reduction, it is hoped that service providers would be able to make use of renewable energy.
- 5.75 Accordingly, ***the Authority reiterates that the Government should consider passing all possible benefits related to deployment of Renewable Energy Technology (RET) power to the Service Providers as per extant government schemes. The Government may also consider incentivizing RET solutions.***

TRAI’s Action Plan on Reporting and Compliance Management

- 5.76 In the consultation paper, the Authority has also listed out the various compliance and reporting requirements which are to be submitted by TSPs, ISPs, broadcasters, DPOs and other service providers to TRAI. Accordingly, the following questions were asked:

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.

¹¹²https://www.trai.gov.in/sites/default/files/Recommendation_Green_telecommunication_23102017.pdf

¹¹³<https://pib.gov.in/PressReleaseIframePage.aspx?PRID=1842737#>

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.

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

- 5.77 TRAI being the regulator of telecom and broadcasting services formulates and notifies regulations and tariff orders for the orderly growth of the service providers and the consumers. To achieve this, various compliance and reporting requirements are required to be met by the service providers. Many reports are to be submitted in the prescribed formats at different time intervals, ranging from monthly, quarterly to annually. The service providers have regulatory teams to meet these obligations laid down by the regulator in a time-bound manner. TRAI publishes subscription data, performance indicator reports, and periodical survey reports assessing quality of service and customer satisfaction.
- 5.78 The stakeholders have brought out the various issues faced by them while doing the filings. Some reporting requirements are being submitted using online portals, whereas others are still through email. Further, the compliance report sought by various divisions of TRAI, many a times, overlap with each other. The stakeholders have suggested that TRAI should also holistically review all such reports and reduce the number of reports by consolidating them and migrating them on a single window system.

K. Reporting requirements by service providers of telecom sector

Comments of the Stakeholders

- 5.79 The stakeholders representing the telecom sector have submitted that presently 60 reports are submitted approximately on periodic (monthly, quarterly, annual or biennial) basis as required under various regulations and orders. For instance, multiple subscriber base reports that are submitted to TRAI and DoT regularly with break-up of subscribers in LSAs, state, rural, urban, mobile, landline, broadband. They have suggested that there is a need to revise the format and to include the various submissions mandated by various regulations and orders via a single submission system, and TRAI to holistically review all such reports and reduce number of reports and/or its frequency by consolidating them.
- 5.80 Regarding the reporting timelines, the submission of stakeholders is that sometimes it becomes a daunting task especially during quarter endings. Hence, they have suggested that the reporting timelines should be

increased for all monthly and quarterly submissions by at least 10 days, thereby giving additional time for the TSPs to ensure error-free submissions.

- 5.81 One of the service providers has submitted that the compliance monitoring, non-compliance observation, issuance of show cause notice (SCN), Financial Disincentive (FD) order process is followed by various units of TRAI in a very mechanical manner. They submitted that the focus on imposing financial disincentives rather than improving compliances or even objective analysis of the alleged non-compliances and the intent or measures taken by TSPs to address the non-compliances, should be reviewed. Accordingly, they have submitted that this system should change, and the TRAI officials should be guided that the effect of all penal provisions is to improve compliances and not to maximize revenue from FDs.
- 5.82 The stakeholders have also proposed that the requirement of maintaining a call center, provision of a Toll-Free Number and the related requirements should not be mandatory for fixed line broadband service providers. Further, the Toll-Free number can be replaced by a landline or mobile number on which the customer can contact and raise his concerns. This will help the fixed line broadband service providers to save substantial costs while no additional burden is imposed on the customer due to the vast adoption of bundled plans offered by mobile service providers which offer unlimited voice calls.

Analysis of the issue and views of the Authority

- 5.83 As pointed out by the stakeholders, TRAI mandates submission of a number of compliance reports via different regulations and orders. The service providers of the telecom sector with an aggregate turnover of not less than Rs. 100 crore (~USD 12.2 million), during the accounting year, are required to submit the accounting separation reports for each of the telecom services on an annual basis to TRAI. A copy of the quarterly statement of gross revenue, adjusted gross revenue, license fee, and spectrum usage charges, being filed with the licensor, is required to be submitted to the Authority.
- 5.84 TSPs also submit LSA-wise reports to TRAI in the prescribed format through the portal provided by TRAI. Performance Monitoring Reports (PMR) for Cellular, Basic and Broadband services are submitted to TRAI every quarter both in offline/ electronic mode. PMR for Circuit Switched Fall Back, Consumer Grievance Redressal, Wireless data, Drop Call Rate (DCR) Matrix, and Unsolicited Commercial Call services are submitted to TRAI quarterly both in offline/ electronic mode.
- 5.85 The service providers are required to report tariffs offered to retail customers online by using the Online Tariff Filing and Review System

(OTFRS) implemented by TRAI with effect from 1st January 2019. Inputs are submitted online by all the service providers through the Tableau software. An online portal named 'PMR portal' is functional and is being used by concerned telecom operators to submit their compliance data/report.

- 5.86 The data collection is automated for various telecom divisions in TRAI:
- Network Spectrum & Licensing (NSL-II) (28 reports)
 - NSL-I (21 reports)
 - Broadband and Policy Analysis (BB&PA) Broadband (15 reports)
 - Quality of Service (QoS) (9 reports)
- 5.87 Further, a proposal for development of comprehensive IT ecosystem for data reporting, analytics and process automation is under consideration in TRAI. The scope of work includes automated reporting and compliance, automation of consultation process, automation of routine activities of various divisions and portal up-gradations and new portal developments.
- 5.88 Regarding FDs, they are issued only after thorough analysis of the contravention of TRAI regulations. Whenever a violation of any Regulations is noticed, initially a Show Cause Notice (SCN) is issued to the concerned TSP, giving them an opportunity to represent their case. Only after detailed analysis of the response received from the TSP, a view is taken with the concurrence of the Authority. Only if required, then an Order for FD is issued to the concerned TSP.
- 5.89 Further, TRAI has initiated the process of reviewing existing QoS Regulations. After review of QoS regulations, the items which have become redundant due to technological advancements will be identified and recommended for repeal/ deletion. Further, new items/ benchmark parameters that need to be included in reporting mechanism and compliance system will be recommended for inclusion under revised QoS regulations. In the review, the main thrust would be on reduction of
- (i) reporting frequency
 - (ii) timelines for
 - a. issuance of Show cause Notices for non-compliance
 - b. imposition of FD on service providers
- 5.90 As on date, the following actions regarding repeal/ review of regulations have been undertaken w.r.t. QoS Regulations:
- Repeal: Regulation on Quality of Service Dial-Up and Leased Line Internet Access Service, 2001, is in the process of being repealed.
 - Review:
 - a. *Quality of Service (Code of Practice for Metering and Billing Accuracy) Regulation 2006* is being reviewed.

- b. *Regulation on Quality of Service for VOIP Based International Long Distance Service, 2002 (3 Of 2002)*, is being reviewed and if required will be clubbed with any other regulation.
- c. Artificial Intelligence (AI) based analysis will be used in ensuring compliance of *The Telecom Commercial Communication Customer Preference Regulation (TCCCPR), 2018*. Further analytical tools will be utilized for analysing reports received from service providers.

**L. Reporting requirements by service providers of broadcasting sector
Comments of the Stakeholders**

- 5.91 The stakeholders representing the broadcasting sector have commented that broadcasters are required to upload requisite information in respect of interconnection agreements pursuant to the Telecommunication (Broadcasting and Cable) Services Register of Interconnection Agreements and all such other matters Regulations, 2019. This requirement is sought through TRAI's Broadcasting and Cable Services Integrated Portal (BIPS portal). They have opined that the BIPS portal continues to evolve even after its launch in January 2020. Broadcasters face multiple issues such as screen freeze when any new functionality is added, inability to upload documents, absence of an editable option, while uploading the information sought by TRAI. In line with this, they have made the following suggestions:
- a) The requisite information should be required to be filed on a quarterly/ half-yearly basis with an ability to upload bulk data on Microsoft excel format.
 - b) BIPS portal should have the ability to extract data from the Microsoft excel file and be uploaded under relevant headers on the BIPS portal.
 - c) When the information that is already uploaded by broadcaster on the BIPS portal is sought by TRAI, or by any other ministry at a later date, the same should be accessed online without the need for additional submissions.
 - d) The portal should be equipped with Artificial Intelligence tools to make the entire process faster and ease submission of correct and accurate information without typographical errors.
- 5.92 For the DTH sector, the service providers have submitted that currently the submissions are made via email and sometimes via physical filing. They have requested that the reports should be sought through a portal facilitated by TRAI wherein all the periodic filings and other filings such as filing of Tariffs/ Bouquets should be done at prescribed intervals. Further, micro regulation on issues such as installation charges, activation charges and STB schemes is requested to be removed.

5.93 They have also suggested that the reporting system should be automated at TRAI. The provision for resubmission or change in the data should also be provided within a set time limit.

Analysis of the issue and views of the Authority

5.94 In broadcasting sector, Broadcasters and DPOs submit data as per the reporting requirements of Tariff Order, 2017, Interconnection Regulations, 2017, and Register of Interconnection Agreements and all such other matters Regulations, 2019. The reports are generally submitted through email as well as in hard copy. The DPOs of TV services comprising of DTH operators, MSOs, and HITS operators electronically submit PMRs monthly and quarterly in the respective formats as prescribed by the Authority. Weekly data of the duration of advertisements from broadcasters are also being filed in TRAI electronically. FM radio broadcasters submit advertisement revenue data quarterly in hard copy as well as the soft copy format.

5.95 TRAI has 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 incorporating tariff and PMR filings too in a phased manner.

5.96 TRAI has taken multiple steps towards making the above said submissions online. However, it is time that these portals are revamped and streamlined and well assisted with the various online tools available. Further, the glitches in the various portals will also be removed.

M. Other issues

Comments of the Stakeholders

5.97 Stakeholders commented that the Regulations/ Tariff Orders of TRAI undergo several changes, and the amendments are issued over a period of time. It becomes challenging both for customers and telecom operators to read and understand the large number of amendment documents. They have requested TRAI for publishing consolidated Regulations/ Tariff Orders including the respective amendments.

5.98 Some of the stakeholders have also proposed to lay down specific activities of impact assessment including cost-benefit analysis to be conducted and published before issuance of any new regulatory decision and also, after every two years of said issuance.

Analysis of the issue and views of the Authority

5.99 TRAI has already consolidated all the Regulations¹¹⁴ and Tariff Orders¹¹⁵ for both telecom and broadcasting sectors. Consolidated regulations

¹¹⁴ <https://traigov.in/release-publication/consolidated-regulations/telecom>

including all their amendments are available on TRAI website. As the consolidation of Regulation is required to be done after issuance of any new amendment, it has been made an ongoing process.

5.100 The Authority has taken note of all the comments and suggestions to review the existing reporting system at TRAI. The principles of ease of doing business as mentioned in Chapter II also need to be followed in TRAI. The concerns expressed by the stakeholders shall be given due consideration and TRAI will revamp its reporting systems.



¹¹⁵ <https://tra.gov.in/release-publication/consolidated-regulations/broadcasting>
<https://tra.gov.in/release-publication/consolidated-tariff-orders/telecom>
<https://tra.gov.in/release-publication/consolidated-tariff-orders/broadcasting>

CHAPTER VI

SUMMARY OF RECOMMENDATIONS

A. Single Window System

A1. Characteristics of Single Window System

6.1 The Authority recommends that all the concerned Ministries/ Departments should adopt a user-friendly, transparent and responsive digital single window system. The portal should provide easy to navigate mechanism for access to all statutory/ policy guidelines, amendments, orders, office memorandums related to a license/ registration/ permission/ clearance. The portal should be enabled with new digital technologies for achieving end-to-end inter-departmental online process. In addition, the portal should incorporate the following features:

- a. All the processes to be duly incorporated in the portal for consideration and grant of:**
 - i. Initial license/ registration/ permission/ clearance;**
 - ii. Test report (Approval/ Rejection/ Qualifications- if any);**
 - iii. Renewal of license/ registration/ permission/ clearance;**
 - iv. Addition or modification in the license/ registration/ permission/ clearance;**
 - v. Assignment of resources including spectrum/ numbering resources etc.**
- b. Process for submission/ acknowledgement of:**
 - i. Electronic Bank Guarantee/ Security Deposit/ any other charges or deposits;**
 - ii. Activities related to Merger & Acquisition;**
 - iii. Signing of the License Agreement;**
 - iv. Compliance/ Reporting submission;**
 - v. Issue and compliance of:**
 - 1. Show Cause Notice for any non-compliance, reply of the notice and decision thereof;**
 - 2. All associated Notices and replies in relation to the above license/ registration/ permission/ clearance;**
 - vi. Request for release of Bank Guarantee and Security Deposit and release thereof;**
 - vii. Request for Surrender of license/ permission/ registration.**
- c. For each license/ registration/ permission/ clearance, distinct user manual and sample forms/ formats with duly filled in sample data.**

- d. Drop-down menu driven forms with simple application formats seeking only the relevant information.**
- e. Use of digital technologies like Digi-Locker agreements, contracts with digital signatures, block chain technology, cloud computing, integration with e-office, chatbot mechanism, virtual assistant, automated call centre, artificial intelligence-based tracking, analysis and response systems, analytics, reporting and Management Information System.**
- f. Precise and well-published timelines in the in-built Citizen Charter as well as in the user manual of each process with strict adherence to such timelines. Citizen Charter to be an integral part of the portal. Provision of deemed approval to be applicable, wherever feasible.**
- g. Facilitation of online payment of permission fee, registration fee, license fee, annual renewal fee and any other applicable fee and integration with all existing payment systems.**
- h. Seamless integration with all other concerned ministries/ departments/ agencies to achieve 'Whole of the Government' approach.**
- i. Queries related to shortcomings, observations or objection raised by the Ministry/ Department to be raised through the portal. Applicant to be prompted through automated mail/ SMS. The query and additional documents required, if any, also to be clearly mentioned. Submission of stakeholder response to the query on the portal itself. Queries to be raised in a time-bound manner. Clock start-clock stop mechanism to be applied while checking end-to-end processing time. All the queries/ observations to be raised together in one instance.**
- j. Stakeholders' Enquiry System related to any license/ registration/ permission/ clearance and any other queries for both existing and prospective users with reply in time-bound manner, both on the portal and through designated officer(s) Desk off the portal.**
- k. Any change in guidelines or process to be notified to the service providers in their logins and through email and SMS.**
- l. The portal to automatically reflect the subject wise (licence/ registration/ permission/ clearance) status of number of applications received, pending applications, average pendency, applications in process, applications rejected, and licenses issued. Such information should be publicly available.**

- m. Integration with the National Single Window System (NSWS) developed by Department for Promotion of Industry and Internal Trade (DPIIT).

A2. Other important measures to reap the benefits of ‘Single Window System’

6.2 The Authority recommends that:

- a. Affidavits prescribed in the extant guidelines and application formats, if any, should be abolished and replaced with self-certificates¹¹⁶.
- b. For an existing service provider, the requirement of getting ‘prior approval’¹¹⁷ should be replaced with ‘prior intimation’, wherever feasible.

A3. EoDB Committee

6.3 The Authority recommends that each Ministry and its department should establish an Ease of Doing Business (EoDB) Committee to regularly review, simplify and update the existing processes and to ensure ease of doing business in the sector as an on-going activity. The Committee should consist of the following officers:

- a. A senior level officer of Additional Secretary (AS)/ Joint Secretary (JS) level from the concerned Ministry/ Department
- b. Two officers from field/ regional offices
- c. Two members from among the service providers
- d. Two members from the industry associations

The members of the standing committee from service providers and industry associations should be nominated on a rotational basis to cover all the services and processes, with each member having a specific tenure. The committee should periodically take inputs from all the stakeholders/ associations.

Ministry of Information and Broadcasting (MIB)

B. Issues related to Broadcasting and TV Distribution

B1. Timelines recommended for MIB for broadcasting/ distribution related processes

¹¹⁶ For instance, UL states that the quarterly payment shall be made with an affidavit as at Annexure-A of the respective chapter of service authorization together with a statement of revenue share and license fee separately for each service and service area.

¹¹⁷ For example, ‘prior permission’ is replaced with ‘intimation’ for:

iii. Change in mode and language of transmission of TV channels

iv. For Commencement of any service permitted under the scope of UL agreement

6.4 The Authority recommends that:

- a. MIB should specify stage-wise timelines for the process of grant of each license, registration and permission in a similar manner as has been done for Uplinking and Downlinking permission for TV channels.
- b. MIB should also prescribe timelines for additional permissions required during the lifecycle of the permission.
- c. All the timelines should be incorporated in the respective Guidelines as well as the Citizen Charter/ BroadcastSeva portal.

B2. Infrastructure status to Broadcasting and Cable Service Sector

6.5 The Authority recommends that given the importance of Cable Services sector in expanding television services as-well-as Broadband services, the Government may consider and grant 'Infrastructure Status' to 'Broadcasting and Cable Services Sector'.

B3. Centre of Excellence for broadcasting services

6.6 *The Authority reiterates that Government should establish Centre of Excellence or align with Centre of Excellence established by other ministries/ department (e.g., Telecom Center of Excellence) to study technical, economic, social and legal aspects of broadcasting services.*

B4. Issues related to MHA Security Clearance

6.7 The Authority recommends that:

- a. For seeking MHA security clearance, MIB should issue explicit guidelines. The process of security clearance of an applicant company and its key personnel should be made end-to-end online. MIB in close coordination with MHA should provide transparent timelines.
- b. For ensuring compliance, MIB may prescribe a standard undertaking to be submitted by each service provider on annual basis. Such undertaking should certify that either no change in Management Control/ Ownership control has happened during the year or that the changes in the management/ ownership structure have been submitted and requisite permission has been duly received (as applicable).

C. Issues with respect to satellite TV channels/ Teleport and related permissions

C1. Examination of applications of TV channels by empaneled CA and Department of Revenue

6.8 *The Authority reiterates to examine and remove:*

- a. *the requirement of examining net worth, ownership details, shareholding pattern and its effect on net worth etc. for companies to run news or non-news channels, by the empaneled CA of MIB.*
- b. *the requirement of examining the compliance of clause 10 (iii) of the ‘Uplinking Downlinking Guidelines, 2022’ (erstwhile clause 1.3 and 1.4 of the downlinking policy guidelines) by the Department of Revenue.*

The Authority recommends that MIB may rely upon the documents available in Statutory filings like Income Tax, MCA21 portal having compliances to the Companies Act for verification of para a and b above.

C2. Renewal of permission for satellite TV channel

- 6.9 The Authority recommends that the online portal should provide an option to broadcasters/ teleport operators to make payment of the annual permission fee either for one year or more than one year. No refund of the annual fee paid in advance by the broadcaster may be permitted in any case. MIB should amend the uplinking downlinking guidelines accordingly.

C3. WPC Royalty fees for temporary uplinking of live coverage of events

- 6.10 The Authority recommends that WPC should charge the spectrum royalty fee for temporary uplinking of live events on pro-rata basis for actual number of days of the event (i.e., basis per day charges) instead of charging for entire month. MIB should take up the matter with WPC.

D. Issues related to distributors of TV channels

D1. Simplified registration and validity of registration for LCOs

- 6.11 *The Authority reiterates that the registration of LCO and its renewal should be carried out through online portal. Further, the period of registration for LCO should be increased to 5 years.*

- 6.12 The Authority recommends that:

- a. A simple mobile app should also be developed by MIB for registration of LCOs. Request for cancellation of LCO registration before 5 years should also be enabled on the online portal and mobile app.
- b. The Right of Way (RoW) portal (“GatiShakti Sanchar Portal”) should incorporate all the service providers including LCOs. DoT should enable RoW approvals for LCOs also in consultation with

MIB. A hyperlink/ button icon should be provided on the MIB portal and the mobile app to reach the RoW portal.

- c. All the service providers (including LCOs) should be enabled for easy linkages of registration information with GST registration portal. A forward/ backward linkage with GST portal from MIB online portal/ app will enable the users.**
- d. MIB should maintain a common database of registered LCOs and access to view the LCO data should be provided to all the concerned Authorities like Municipality, local Authorities and TRAI. List of the registered LCOs should also be made available to the public at large.**

Department of Telecommunications (DoT)

E. Terms and conditions of License Agreement for Unified License

6.13 The Authority recommends that:

Demonstration of LIM Capabilities

- a. The lawful interception monitoring demonstration of a new service in a single network may take place centrally at one LSA/ location. DoT should prescribe a nodal office to deal with such cases, where such new service uses a common network (with same technical parameters) across multiple LSAs. The nodal office should authorize one LSA to carry out such testing and share the test report with all the other LSAs.**

Rollout Obligation Process

- b. There should be a module in the single window portal to comply with the end-to-end requirements of rollout obligation process. Timelines should be prescribed for each step of the process.**

Security Conditions

- c. The process of request for Remote Access to network from foreign locations, and approval by DoT should be made online and time-bound.**
- d. DoT should review and simplify the existing security conditions prescribed in the UL agreement regarding maintaining command logs and supply chain documents. Instead of seeking every information from the service provider, DoT may examine to create static IP based secure access system to seamlessly access such data of the service providers. Government should assimilate the basic concept of enabling the ecosystem by accessing the relevant information, as and when expedient.**

FDI Compliance

- e. DoT should incorporate the provision/ methodology for submission of FDI compliance on SaralSanchar portal.

F. UL-Internet Service Provider (ISP) License

6.14 The Authority recommends that:

- a. Government may revise the periodicity for submission by Internet Service Providers (ISPs) for providing the details of ISP Nodes or Points of Presence (PoP) with their locations and number of broadband/ leased/ dial up subscribers to once every year (instead of every quarter). For the new nodes that are proposed to be installed, an intimation by the ISP to the Licensor at the time of installation should suffice. Such reporting should be part of reporting module of the online portal itself.
- b. The website blocking process should be incorporated on the single window portal. The list of websites to be blocked should be communicated to the ISPs in their secure login via an instant notification. The provision for compliance submission by the ISPs should also be on the portal itself.
- c. DoT should review and create an easy-to-use module in the portal with reduced compliance burden for Category 'C' Internet Service Providers under UL and UL-VNO for submission/ fulfilment of the requirements specified in the UL Agreement.
- d. For Category 'C' Internet Service Providers under UL and UL-VNO, requirement of submitting quarterly statement of revenue share and license fee audited by the Auditors should be replaced by the submission of self-certified statements/ accounts. The Government should seek audited accounts and statement annually.

G. Cable Landing Station (CLS) and laying and repair of submarine cables

6.15 The Authority recommends that:

- a. Submarine cable laying and repair in Indian Territorial Water and Exclusive Economic Zones ('EEZ') of India and Cable Landing Stations in India should be classified as 'Critical and Essential services'. It should be given 'Top Priority' for obtaining necessary permission and security clearances from the ministries/ departments/ agencies involved.
- b. Permissions of laying, operations and maintenance of submarine cables network should also be made online as a part

of SaralSanchar portal. Rational timelines for each clearance should be defined. The portal should be well-integrated with all the ministries/ departments/ agencies involved. An option for bulk uploading of aggregate documents should be provided.

- c. DoT should be the nodal agency for ensuring faster and time-bound grant of permissions by appropriately coordinating with the concerned departments/ ministries/ agencies.
- d. DoT should constitute a committee comprising of representatives from ILDOs, DoT, DG Shipping, ONGC, Indian Navy and Department of Fisheries. The committee should review the international best practices and feasibility for identifying and declaring special corridor in Indian marine context. The existing Cable Landing Stations and associated routes, especially at Mumbai and Chennai may be considered by the said proposed Committee for declaring them as special corridors to avoid cable damages.
- e. DoT may consider mandating the International Long Distance Operators (ILDOs) owning cable landing station for submarine cables terminating in India to share details of the zones and/ or Route Position Locator (RPL) coordinates of submarine cables at least up to Indian Territorial Water and Exclusive Economic Zones ('EEZ') with the Department of Fisheries.

H. Numbering Resource Allocation Mechanism

6.16 The Authority recommends that stage-wise timelines should be prescribed by DoT for the process of numbering resources allocation.

I. Electro-Magnetic Frequency (EMF) Compliance

6.17 The Authority recommends that the format for self-certification of EMF compliance should be reviewed keeping only those details that are absolutely necessary.

J. Surrender of License

6.18 The Authority recommends that the process of surrender of license, issuance of No Objection Certificate (NOC) and release of Bank Guarantees to the service providers should be made simple, online and time-bound.

Periodic Compliance and Audits conducted by CCAs and LSAs

K. Verification and Assessment of LF & SUC by CCAs

6.19 The Authority recommends that:

- a. In respect of payment of AGR based License Fee (LF) and Spectrum Usage Charges (SUC), the deduction verification process should be reviewed. 100% verification should be replaced with sample base deduction verification based on appropriate scientific statistical model.
- b. The assessment of LF and SUC should be centralized at either DoT HQ or Controller General of Communication Accounts (CGCA)/ through a designated LSA(s).

L. Audits conducted by DoT LSAs

6.20 The Authority recommends that:

- a. Submission of the Customer Acquisition Form (CAFs) by the TSPs to the DoT LSAs should be made online. The portal should support bulk uploading facility. Appropriate analytical and Artificial Intelligence (AI) tools should be utilized for processing such CAFs.
- b. Samples for audit should be fetched by DoT LSAs from the TSPs CAF data based on a weightage system.
 - i. 50% of the CAF data may be taken from the subscribers acquired during the last one year.
 - ii. Out of the balance 50%, half of it(25% of the total data) may be taken from the data of immediate previous five years prior to the last one year.
 - iii. Balance data (25% of the total data) may be picked from the CAF data since the beginning of services of the TSP.
- c. DoT may consider reducing sample size in consultation with the Ministry of Statistics and Program Implementation.

6.21 The Authority recommends that the centrally managed processes should be audited centrally whereas the physical assets specific to a circle be audited by the respective LSA. Similarly, annual license inspections should be conducted either at central level or at a designated LSA, as applicable.

Wings of Department of Telecommunications (WPC)

M. Spectrum assignment by WPC & NOCC

6.22 The Authority recommends that:

- a. Nomenclature of the frequency licensing process being followed in WPC should be modified and termed as 'Frequency Assignment' process. Accordingly, terms and conditions should be amended in all corresponding frequency licensing guidelines.
- b. After SACFA clearance and NOCC carrier plan approval, a single Frequency Assignment letter should be issued by WPC. Letter of

Intent, Decision Letter, Wireless Operating License and Uplink Permission by NOCC should be done away with. The frequency assignment letter should be considered as a final permission to commence services.

- c. WPC should issue Standard Operating Procedure (SOP) along with checklist of documents required for each of the process. The SOP should be made available on the portal.

N. SACFA Clearance

- 6.23 The Authority recommends that the requirement of additional SACFA clearance for the same mobile network site/ tower location should be replaced with intimation only on the SaralSanchar portal.

O. WPC: Non-Network Licenses

- 6.24 The Authority recommends that:

- a. The process of getting scrutiny-based Equipment Type Approval (ETA) from WPC should be made online and time-bound. A definite timeline should be prescribed for the approval and the provision of deemed approval should be enabled.
- b. WPC should formulate a working group to study and exempt Equipment Type Approval/ Import License for devices having wireless sensors emitting very low power below a prescribed level.

- 6.25 *The Authority reiterates that service providers should be allowed to reinstall/ deploy their wireless equipment to another LSA/ location after providing prior intimation to WPC. There should not be any requirement of taking prior permission of WPC. Online portal should provide the facility to submit such prior intimation.*

Telecommunication Engineering Center (TEC)

P. MTCTE scheme

- 6.26 The Authority recommends that for Mandatory Testing Certification of Telecom Equipment (MTCTE) scheme, a committee should be constituted by TEC comprising of two members each from: (i) TEC, (ii) Original Equipment Manufacturer, (iii) Service provider of ICT, Telecom and Broadcasting sector and (iv) Consumers of the product. The members of the committee should be appointed on rotational basis with each member having a specific tenure.
 - a. The Committee should prescribe the timelines for each product to meet testing and certification requirements.

- b. **The Committee should revisit the mode of compliance for testing of products (test report evaluation, self-declaration based, product based differential level of compliance etc.)**
- c. **The committee should consider modular implementation of product testing in terms of the parameters of the testing domain after due assessment of feasible tests/ laboratory ecosystem etc.**

6.27 The Authority recommends that TEC should publish comments on their website while conducting Mandatory Testing Consultative Forum (MATCOF) for drafting the Essential Requirements to ensure transparency.

Q. Labs for testing

6.28 The Authority recommends that:

- a. **TEC should continue accepting International Laboratory Accreditation Cooperation (ILAC) Mutual Recognition Agreement (MRA) reports from ILAC signatories, till sufficient labs are established in India under MTCTE regime.**
- b. **Government should incentivize setting up of labs in India and should do lab assessment before notifying new phases of Mandatory Testing Certification of Telecom Equipment (MTCTE).**

R. Removing the overlaps in the testing regime

6.29 The Authority recommends that:

- a. **To avoid duplicity in testing of telecommunications products, DoT should constitute a standing committee comprising two senior level officers of Joint Secretary level each from:**
 - i. **MeitY**
 - ii. **DoT WPC**
 - iii. **TEC**
 - iv. **BIS**
 - v. **Two representatives from product manufacturers**

The committee should clearly identify a single testing scheme under which the product needs to be tested.

- b. **Internal workflows should be created across processes of Equipment Type Approval (ETA) of WPC, Mandatory Testing Certification of Telecom Equipment (MTCTE) of TEC and Compulsory Registration Scheme (CRS) of MeitY/BIS in the respective portals of each scheme for seamless access and ease of testing of telecom products.**

OTHER MINISTRIES INVOLVED IN TELECOM AND BROADCASTING SERVICES

Department of Space (DOS)

S. Process of hiring space capacity from DOS to be fully integrated with the portals of DoT/ MIB

6.30 The Authority recommends that:

- a. MIB/ DoT portals should be end-to-end integrated with Department of Space (DOS) and fully functional for all services requiring space segment.**
- b. Stage-wise status of the application should be transparently visible to the applicant. Timelines for each stage should be clearly defined. A two-way query system should be incorporated.**
- c. Within DOS, the processes at NewSpace India Ltd. (NSIL) should also be online to ensure transparency and time-bound processing.**

6.31 The Authority recommends that DOS should publish a list of the following on the portal:

- a. Indian satellites details and the capacity availability.**
- b. Approved foreign satellites/ satellite systems, their orbital locations, transponders and frequency availability and their other technical and security parameters.**

T. In-principle approval by IMC-SNC - erstwhile Apex Committee

6.32 The Authority recommends that the Inter-Ministerial Committee for Satellite Network Clearance (IMC-SNC) should meet at least once in two months or on receiving upon any application, whichever is earlier to expedite the in-principle approvals. The meeting should be held online.

U. Long term agreements with satellite operators

6.33 The Authority with respect to hiring of foreign satellite capacity:

- a. *Reiterates that the current practice of permitting hiring of foreign capacity for a limited period of 3 to 5 years should be removed and the service licensees should be permitted to hire the foreign satellite capacities for a longer period as per need.***
- b. Recommends that long term agreements with foreign satellite providers should be allowed to ensure business certainty. Such long-term agreement may be subject to the mission life of the**

satellite, plan of launch of similar satellite by the country (ISRO), payment of requisite fees etc.

V. Future roadmaps regarding satellite launch

- 6.34 *The Authority reiterates that the Government may come out with a roadmap detailing schedule of launch of communication satellites and availability of the domestic satellite capacities in India to facilitate the service licensees to plan and optimize their capacity procurement.*

Ministry of Electronics and Information Technology (MeitY)

W. Compulsory Registration Scheme

- 6.35 *The Authority recommends that MeitY in consultation with BIS should define stagewise timelines for registration under Compulsory Registration Scheme in respect of product certification.*

Ministry of Power

X. Power Supply to the service providers

- 6.36 *The Authority reiterates that DoT should take up the case with Ministry of Power, State governments and SERCs for implementing of following:*
- a. DISCOMs should make provisions to provide connections for telecom sites to TSPs/IP-Is on priority basis. The timelines for providing the connection should be fixed (preferably 15 days) and monitored through portal.*
 - b. Given the importance of DCI for socio-economic development of States, DISCOMs should not charge the TSPs/IP-Is for installation/upgradation of transformer or for pulling the last mile of the electrical connection. If required, states should make necessary provisions for compensating DISCOMs for such waiver of charges.*
 - c. As the power requirements for small cells remain almost flat throughout the day, DISCOMs should charge TSPs/IP-Is on the basis the running load and not on the sanctioned load.*
 - d. All DISCOMs should treat Street Furniture Address as Commercial Address for the purpose of providing a power connection and allow multiple power connections at the same SF commercial address to different commercial entities.*
 - e. DISCOMs should allow sub-letting of connections at street furniture locations.*
 - f. Smart pre-paid electricity meters should be installed in all existing telecom installations on priority and in a time bound manner. Also on all new installations, including that for*

small cells, DISCOMs should only install smart prepaid electric meters.

- g. Provision for one application for bulk processing of connection requests for multiple sites should be made available through portals for promoting ease of doing business.*
- h. Telecom sites should be provided electricity connection under Utility/Industrial tariff.*
- i. DISCOMs should adopt One DISCOM-One Bill-One Payment policy for all Telecom sector service/infra providers users that use electricity connections at multiple locations.*
- j. Open Access policy for using solar/renewable energy sources needs to be modified to incorporate provision to aggregate demand from all sites of a TSP/IP-I that are served by a DISCOM.*
- k. DISCOMs should share their maintenance schedules with TSPs/IPs (site owners) in advance so that site owners can be prepared in the event of power cuts. The actual duration of all power outages should also be made available area wise on their website.*

Y. Incentivizing Renewable Energy Technology (RET) solutions

- 6.37** *The Authority reiterates that the Government should consider passing all possible benefits related to deployment of Renewable Energy Technology (RET) power to the Service Providers as per extant government schemes. The Government may also consider incentivizing RET solutions.*

LIST OF ACRONYMS

Acronyms	Description
AGR	Adjusted Gross Revenue
AI	Artificial Intelligence
AIR	Authorized Indian Representative
BG	Bank Guarantee
BHQ	Block Head Quarters
BIPS	Broadcasting and Cable Services Integrated Portal
BIS	Bureau of Indian standard
BTS	Base Transceiver Stations
CAB	Conformance Assessment Body
CAF	Consumer Acquisition Form
CAS	Conditional Access System
CBIC	Central Board of Indirect Taxes and Customs
CCA	Controller of Communication Accounts
CEB	Central Electricity Board
CERT	Computer Emergency Response Team
CGCA	Controller General of Communication Accounts
CLS	Cable Landing Station
CMRTS	Captive Mobile radio Trunking Service
ComSec	Communication Security
CRS	Compulsory Registration Scheme
CTN	Cable Television Networks
CUG	Closed User Group
DD	Demand Draft
DHQ	District Head Quarters
DL	Decision Letter
DOS	Department of Space
DoT	Department of Telecommunications
DPIIT	Department for Promotion of Industry and Internal Trade
DPL	Dealer Possession License
DPO	Distribution Platform Operators
DSNG	Digital Satellite News Gathering
DTH	Direct-To-Home
DVR	Deduction Verification Report
eBG	Electronic Bank Guarantee
EC	Essentiality Certificate
EEZ	Exclusive Economic Zones
EMF	Electro-Magnetic Frequency
EoDB	Ease of Doing Business

ER	Essential Requirements
ETA	Equipment Type Approval
FAQ	Frequently Asked Questions
FBG	Financial Bank Guarantee
FD	Financial Disincentive
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management (Current Account Transactions
FSSAI	Food Safety and Standards Authority of India
GEC	General Entertainment Channel
GR	General Requirements
GR	Gross Revenue
GST	Goods & Services Tax
IAF	International Accreditation Forum
ICRD	INSAT Capacity Reservation Deposit
ICRF	INSAT Capacity Reservation Form
IIFCL	India Infrastructure Financing Company limited
ILAC	International Laboratory Accreditation Cooperation
ILD	International Long Distance Operators
INSAT	Indian National Satellite
IP	Infrastructure Providers
IR	Interface Requirements
ISP	Internet Service Providers
ISRO	Indian Space Research Organization
ITU	International Telecommunication Union
IUC	Interconnection Usage Charges
JAM	Jan Dhan, Aadhaar, Mobile
KYA	Know Your Approvals
LCN	Logical Channel Numbers
LCO	Local Cable Operator
LEA	Law Enforcement Agencies
LF	License Fee
LFA	License Finance-Assessment Wing
LFP	License Finance Policy Wing
LIM	Lawful Interception Monitoring
LOI	Letter of Intent
LPBT	Low Power BTSs
LSA	Licensed Service Area
M2M	Machine to Machine Communications
MATCOF	Mandatory Testing Consultative Forum
MCA	Ministry of Corporate Affairs

MCPC	Multi Channel per Carrier
MEA	Ministry of External Affairs
MeitY	Ministry of Electronics and Information Technology
MIB	Ministry of Information and Broadcasting
MIS	Management Information System
MNP	Mobile Number Portability
MNRE	Ministry of Energy and Ministry of Renewable Energy
MoD	Ministry of Defense
MoF	Ministry of Finance
MoU	Memorandum of Understanding
MPMR	Monthly Performance Monitoring Report
MPVT	Mandatory Performance Verification Testing
MRA	Mutual Recognition Agreement
MRO	Minimum Rollout Obligation
MTCTE	Mandatory testing certification of telecom equipment
NCCS	National Centre for Communication Security
NCLT	National Company Law Tribunal
NDCP	National Digital Communications Policy
NDPL	Non-Dealer Possession License
NEP	National EMF Portal
NLD	National Long Distance
NOC	No Objection Certificate
NOCC	Network Operation & Control Centre
RLO	Regional Licensing Offices
NSDTS	National Security Directive in Telecom Sector
NSIL	New Space India Limited
NSWS	National Single Window System
OEM	Original Equipment Manufacturer
OHD	Open House Discussion
OLT	Optical Line Terminal
ONU	Optical Network Units
OSP	Other Service Providers
OTFRS	Online Tariff Filing and Review System
PBG	Performance Bank Guarantee
PM-WANI	Prime Minister's Wi-Fi Access Network Interface
PoP	Point of Presence
PoS	Point of Sale
QPMR	Quarterly Performance Monitoring Report
RA	Remote Access
RBI	Reserve Bank of India

RET	Renewable Energy Technology
RoW	Right of Way
RPL	Route Position Locator
RTEC	Regional Telecommunication Engineering Centre
SACFA	Standing Advisory Committee on Radio Frequency Allocation
SCN	Show Cause Notice
SDCA	Short Distance Charging Area
SDCN	software defined wide area
SEBI	Securities and Exchange Board of India
SMS	Subscriber Management System
SNG	Satellite News Gathering
SOP	Standard Operating Procedure
SR	Service Requirements
SSA	Secondary Switching Area
STB	Set-Top-Box
STRC	Service Test Result Certificate
SUC	Spectrum Usage Charges
TAT	Turn Around Time
TEC	Telecommunication Engineering Centre
TRAI	Telecom Regulatory Authority of India
TSP	Telecom Service Providers
TSTP	Test Schedule Test Procedure
UL	Unified License
UNGA	United Nations General Assembly
VNO	Virtual Network Provider
VSAT	Very Small Aperture Terminal
WPC	Wireless Planning Commission
WPF	Wireless Planning Finance

Annexure A

Status of the Recommendations on “Ease of Doing Business in Telecom Sector” dated 30th November 2017 and TRAI’s response to back reference dated 20th July 2018

S. No.	Gist of the Recommendations	Status of implementation
1.	<p>The entire process of SACFA clearance as well as grant of all licenses/approvals, that are issued by WPC, should be made paper-less, and executed end-to-end through an online portal.</p> <p>Upon successful implementation of online portal, DoT may also review the SACFA fee being levied upon the TSPs.</p>	<p>Instructions for Implementation of SaralSanchar Portal were issued on 27.07.2020.</p> <p>SACFA clearances was included along with other Licenses/clearances.</p> <p>As per Citizens Charter, Timeline is 30 Days except for full site/Mast Height-7/40 category sites (Sites located at least 7 km from nearest Airport Reference Point (ARP)) for which it is 60 days.</p> <p>However, review of SACFA fee is yet to be carried out.</p>
	<p>There should be a defined time-line, not exceeding 30 days, within which an Import Licence should be granted. The time-line should be declared on the portal as well as in the Citizen’s Charter.</p>	<p>No information related to it found.</p>
2.	<p>To ensure that application is complete, and all the required documents are attached, the online portal should accept the application and generate the acknowledgement only when all the mandatory field(s) in the online application form have been filled by the TSP and all the documents as per the WPC’s check-list are uploaded by the TSP.</p>	<p>The following instructions have been issued:</p> <ol style="list-style-type: none"> 1. OM dated 18.09.2018(Order) regarding online filing of applications for ETA and Import License. 2. OM regarding ‘Simplification of WPC Import License Requirements for Domestic Original Telecom Equipment Manufacturers’ (Order) was issued on 26.06.2019. Vide this Order, as part of Ease

S. No.	Gist of the Recommendations	Status of implementation
		<p>of Doing Business, Domestic Original Telecom Equipment Manufacturers in Domestic Tariff Area (DTA) are allowed to import Transceiver/ Receiver Modules against their valid Dealer Possession License without any need of Import License.</p>
	<p>TSPs should be allowed to reinstall/ deploy their wireless equipment into another LSA after giving prior intimation to WPC preferably through the online portal. There should not be any requirement of taking prior permission of WPC for this purpose.</p>	<p>No information related to it found.</p>
3.	<p>The applications for Demonstration License and Experimental License should be processed and the license should be granted within a maximum period of 15 days and 30 days respectively. This time period should be declared on the portal as well as in Citizen's Charter.</p> <p>DoT's Back Reference: The Demonstration License is issued by Regional Licensing Offices (RLOs) of WPC in consultation with WPC Head Quarters (HQRS) for frequency clearance and period of 15 days may not be considered sufficient.</p> <p>TRAI's Response: TRAI reiterated its recommendations.</p>	<p>OM considering emerging new radiocommunications technologies and to promote R&D activities, specifically 5G technologies; instructions were issued to regulate 'Experimental and Technology Trial License' and 'Manufacturing and Testing Licenses' and 'Demonstration Licenses' on 23.07.2019 (Order). Timelines of 8 weeks have been provided for grant of Experimental license and Trial license.</p>

S. No.	Gist of the Recommendations	Status of implementation
4.	<p>The validity period of the Experimental (radiating) License should initially be six months, extendable by another six months.</p> <p>DoT's Back Reference: Considering the limited carriers / frequency spots, Experimental (radiating) Licenses are being issued initially for a period of three months to prevent hoarding for longer period by non-serious applicants. DoT has proposed that Experimental(radiating) Licence may initially be issued for three months and extendable by another six months.</p> <p>TRAI's Response: TRAI reiterated its recommendations.</p>	<p>The Period of Experimental (radiating) License as per instructions issued on 23.07.2019 is up to two years subject to certain conditions (Order).</p>
5.	<p>a) When the Licensor is notified about the merger proposal of companies as filed before the Tribunal, it should file objections, if any, for the merger of licenses also during the stipulated window of 30 days. DoT should spell out definite timeline, not exceeding 30 days post NCLT approval, for providing written approval to transfer/merger of licenses by the Licensor and it should be made a part of DoT's M&A Guidelines.</p> <p>b) If the merger results in excess spectrum holding beyond permissible spectrum cap, the resultant entity should be given an option to either surrender or trade its spectrum holding, within the stipulated period of one year. The Authority is of the view that Clause 3(L) of DoT's M&A guidelines should be amended accordingly.</p>	<p>The amendments in the 'Guidelines for Transfer/Merger of various categories of Telecommunication Service Licenses/Authorizations under the Unified License on compromise, arrangements and amalgamation of the Companies dated 20.02.2018' were made on 24.09.2018 (Order).</p> <p>(a) and (b) accepted.</p>
	<p>c) If a transferor company holds a part of spectrum, which (4.4 MHz/2.5 MHz)</p>	<p>Amendment has not been</p>

S. No.	Gist of the Recommendations	Status of implementation
	<p>has been assigned against the entry fee paid, the transferee company/ resultant entity should be liable to pay the differential amount for the spectrum assigned against the entry fee paid by the transferor company from the date of written approval of transfer/merger of licences by DoT.</p> <p>DoT's Back Reference: DoT proposed that when the licensee applies for transfer/ merger of licenses to DoT, DoT will raise demand upon transferee of One Time Spectrum Charges (OTSC), from the date of NCLT approval, with a stipulation that such demand is subject to revision after the grant of approval of transfer of licenses by DoT. The demand of OTSC will be recalculated based upon the date of grant of approval. Excess amount paid, if any, will be refunded back to the transferee or set off against other dues.</p> <p>TRAI's Response: As DoT raises the demand for payment of OTSC before giving the written approval to the merger. Therefore, TRAI agreed with the proposal of DoT.</p>	issued.
6.	Spectrum trading should be permitted in all the access spectrum bands which have been put to auction. The permissible block size for trading in a band should be same as specified in the NIA for the latest auction held. Spectrum trading guidelines should be amended accordingly.	No information related to it found.
7.	The TSPs should be charged for roll-out obligations test fee only for the DHQs/ BHQs/ SDCAs which are actually tested by TERM Cells. It was also recommended that there is a need to rationalize the structure of testing	No information related to it found.

S. No.	Gist of the Recommendations	Status of implementation
	fee to avoid double payment for testing the same MSC.	
8.	For an existing service provider, for renewal of license or migration of its license to UL, the condition of minimum net worth should not be applicable.	Amendment issued on 27 th September 2018
9.	<p>Consequent to the implementation of the online portal Tarang Sanchar, DoT may review:</p> <p>(a) The need of revised certification by all the TSPs for every BTS upon upgrade by any TSP on a shared site and</p> <p>(b) calling biennial certification for all the existing sites of every TSP. The Authority also recommends that TSPs should be asked to submit all requisite certifications only through Sanchar Tarang portal. TSPs should not be required to re-submit these certificates/reports separately in any other forms such as in hard copy or through email.</p>	OM issued on 4 th February 2021(Order)
10.	The PBG for a particular phase of roll-out obligations should be released after successful certification by TERM Cell. If TERM Cell fails to submit its report within 12 months after the date of offer, PBG should not be held back on account of pendency of testing. Further, DoT should review the process adopted by CCA for the refund of bank guarantee and should ensure that CCA does not take more than 30 days for the release of bank guarantee.	OM issued in July 2018 (Order)
11.	DoT should place an updated list of OSP registration holders with their	As per the new Guidelines for OSP issued by DoT on 05 th November 2020 (Order), no

S. No.	Gist of the Recommendations	Status of implementation
	validity of registration and place of OSP centre on its website.	registration certification is required OSP centers in India.
12.	DoT should devise a suitable matrix, linking the penalty to the severity of the incident and recurrence of the violation for imposition of financial penalties.	Getting revised through draft Telecom Bill.

Note: DoT furnished information regarding status of various Recommendations (Letter dated 11.01.2021). In respect of recommendations on **‘Ease of Doing Business in Telecom Sector’**, DoT has informed the following:

- (i) TRAI issued suo moto recommendations.
- (ii) TC considered in meeting held on 01.05.2018 and back reference issued to TRAI on 06.06.2018.
- (iii) Overall, 9 accepted and 3 accepted with modification.

Status of the Recommendations on Ease of Doing Business in Broadcasting Sector dated 26th February 2018

The detailed status of the recommendations issued by TRAI on “Ease of Doing Business in Broadcasting Sector” and those conveyed by the Ministry of Information & Broadcasting (MIB) vide letter dated 19.11.2018 are as follows:-

A. Recommendations accepted on Ease of Doing Business in Broadcasting Sector by MIB:-

1. The process of granting permission for uplinking of satellite TV channels from India should be streamlined by removing redundant processes, re-engineer necessary processes & making them efficient using ICT.
2. The service providers should continue to pay requisite fees to WPC on annual basis; and the same should be paid at last 60 days before the due date to ensure continuity of the license
3. The WOL should be valid for a period equivalent to service license/permission period.
4. A condition should be prescribed in the WOL that any delay in payment of requisite fee shall lead to penalties and cancellation of the applicable license.
5. MIB should setup an integrated online portal for broadcasters, teleport operators, and distributors of TV channels (DTH operators/HITS operator/MSOs) which should facilitate the filing of applications, processing in MIB, DoS and DoT, tracking of status of applications, payments, frequency allocations, endorsements, permissions, licenses, registrations, and renewals with common database. Preferably, this portal should be integrated with other e-Governances systems like BharatKosh portal, e-Office application etc. Access to the portal should be provided to the Authority also for information and analysis.
6. The integrated online portal should be developed as early as possible, within a period of 1 year from the date of acceptance of these recommendations.
7. In case of permissions/licenses where security clearance of the company from MHA or satellite clearance from DoS or both are required, normally the decision to grant permission should be taken by MIB in consultation with MHA and DoS within 3 months from the date of application.
8. In case of permissions, where security and satellite clearances are not required, normally decision to grant permission should be taken by MIB within 45 Days from the date of application.
9. WPC should take the decision on grant of WOL including allocation of frequency within a period of 60 days.
10. The decision to grant permission for operationalising the services, including time taken by MIB, WPC, DoS, MHA and NOCC for issuing permissions, should be

completed within 6 months period in case of uplinking of channels by a new company/teleport/DTH licenses.

11. Application for change in the logo, name, language and format of a channel should be processed through the proposed integrated online portal to take the decision on the same.
12. MIB should maintain an updated database of all channels in the proposed integrated online portal and the same should be accessible to all the regulating and monitoring agencies namely MIB, TRAI, DoS, MHA, WPC and NOCC
13. When the accessibility of an online updated database of channels will be ensured, the permission of WPC and NOCC, for change in name, logo, or language of a channel, would become superfluous. Accordingly, the procedure for seeking such permission should be discontinued.
14. The necessary permissions for effecting the change in format of a channel should be granted within 60 days after receipt of the application and payment of the prescribed changes (if any). It includes the time taken by MIB, WPC and NOCC.
15. The Authority recommends that payment of annual permission fee as per the extant policy guidelines should be done through proposed integrated online portal. The periodicity of the renewal of licenses should continue to be on annual basis.
16. The registration of LCO and its renewal should be carried out through online portal. Further, the period of registration for LCO should be increased to 5 years.
17. MIB should take necessary steps to frame Right of Way Rules under the Cable TV Act.
18. The Government should contemplate creating a Centre of Excellence exclusively for broadcasting services. This center should study technical, economic and social aspect of broadcasting ecosystem.
19. The Government should consider issuing a comprehensive policy guideline to promote research and manufacturing of hardware and software for broadcasting services.

B. Recommendations on Ease of doing Business in Broadcasting Sector not accepted/under deliberation in MIB

Sl. No.	Recommendation	MIB View
1	<p>Process of granting permission and registration for downlinking of satellite channels should be streamlined in such a way that:</p> <p>4.2 (a) the channels having permission for uplinking from India require registration only; and</p>	<p>4.2(a) & 4.2(b) In the Uplinking and Downlinking Guidelines of December 2007, there is no provision for “registration” for private satellite TV channels.</p> <p>The Guidelines only provide for “permission”. Even channels that are only uplinked from India are presently subjected to clearances from MHA, DoS</p>

	<p>4.2 (b) the channels being uplinked from outside India require permission as well as registration.</p>	<p>and examination by empanelled CA. Such channels use the services of Indian teleports and Indian satellites which are permitted by MIB and DoS respectively. There could be a possibility that these channels may broadcast content antithetical to Indian interests in the country of downlinking. <u>It could lead to an undesirable situation wherein our permitted infrastructure is being used to broadcast content unsuitable to Indian interest.</u> Hence it is <u>necessary to know the antecedents of the only uplinking company as well</u></p>
	<p>4.3 (a) Initially, MHA should take the decision on security clearance to an applicant company and its key personnel within a period of 60 days. Also, in case of any change in key personnel, MHA should take the decision within a period of 60 days.</p> <p>4.3 (b) Validity period of security clearance granted to a company should be equal to the permission/license period granted to that company for broadcasting services. The Government in any case reserve the right to withdraw security clearance at any point of time.</p> <p>4.3 (c) The security clearance granted to the key personnel of a company should remain valid for 10 years.</p> <p>4.3 (d) In cases where an existing broadcasting company, having valid security clearance, is seeking permissions for additional satellite TV channels, the process of seeking fresh security clearance from MHA should be done away with.</p>	<p>4.3(a) to 4.3(c) Security clearances are <u>issued by MHA as per their own Guidelines.</u></p>
	<p>4.4 (a) DoS should take the</p>	<p>4.4(a) <u>DoS gives clearance as per its own</u></p>

<p>decision on clearance for satellite use for broadcasting services within a period of 60 days.</p> <p>4.4(b) In cases where a broadcasting company is seeking permissions for uplinking of new satellite TV channels to the already cleared satellites, the process of seeking fresh clearance from DoS should be done away with.</p>	<p><u>policy.</u></p> <p>4.4(b) <u>MIB will refer to DoS for its comments.</u></p>
<p>1.5 (a) A self-declaration, in a prescribed format, stating that the applicant company meets net-worth requirements, as specified under the policy guidelines, should be taken from the applicant company at the time of submitting the application. This declaration should be supported with duly audited financial statements of the company.</p> <p>4.5 (b) The requirement of examining net worth, ownership details, shareholding pattern and its effect on net worth etc., by the empaneled CA should be done away with.</p> <p>4.5 (c) A self-declaration, in a prescribed format, stating that the applicant company complies with clause 1.3 and 1.4 of the downlinking policy guidelines should be taken from the applicant company at the time of submitting the application.</p> <p>4.5(d) The requirement of examining the compliance of clause 1.3 and 1.4 of the downlinking policy guidelines by Department of Revenue (DoR) should be done away with.</p> <p>4.5 (e) A condition should be</p>	<p>4.5(a) & 4.5(b) The purpose of prescribing a minimum net-worth for companies to run news or non-news channels is to ensure that the entity is financially strong enough to be able to express its views/news/creative content free from the external pressure. Therefore, a correct assessment of the net-worth of the entity is necessary. MIB now relies on the latest declaration made by the entity in the Ministry of Corporate Affairs' MCA 21 Portal as per the provisions of the Companies Act. Further, for news channels, as per extant guidelines, MIB needs to ensure that 51% single Indian ownership is maintained. It is also necessary to ensure that FDI ownership limits are followed. Further companies have given incorrect/inflated information about their net-worth. Therefore, expert examination by Chartered Accountant is required. Recommendations at 4.5 (a) & (b) are not accepted.</p> <p>4.5(c) & 4.5(d) As per clause 1.3 and 1.4 of the downlinking guidelines, the applications for downlinking are forward to DoR which in turn examines whether the agreement between the applicant (downlinking) company and the channel owner (in case the two are different entities) contains suitable stipulation to enable the applicant to conclude agreements on advertising, subscription revenue and programme content. This is</p>

	<p>added in the procedure of granting permission that if the information provided by a company is found incorrect or incomplete at any stage during the entire permission period, the permission would become void ab-initio</p>	<p>done to ensure that the applicant company duly falls in the taxation framework and that there is no tax evasion.</p> <p><u>MIB agrees with 4.5(e) subject to our views on 4.5(a) to 4.5(d) above</u></p>
	<p>4.6 The Authority recommends that procedure recommended for granting permission for uplinking of satellite TV channels should be mutatismutandis made applicable to grant permission for teleport services also</p>	<p><u>MIB agrees with 4.6 subject to MIB's views as given at 4.5 (a) to 4.5(d).</u></p>
	<p>4.7 (a) MHA should take the decision on security clearance to an applicant company seeking license for DTH services and its key personnel within a period of 60 days. Also, in case of any change in key personnel, MHA should take the decision within a period of 60 days</p> <p>4.7 (b) DoS should take the decision on clearance for satellite use for DTH services within a period of 60 days</p>	<p>4.7(a) Security clearances are <u>issued by MHA as per their own Guideline.</u></p> <p>4.7(b) <u>Department of Space provides clearance as per its own policy.</u></p>
	<p>4.8 (a) WPC should allocate the spectrum for commercial satellite usage as and when there is a demand for same from service providers in a time bound manner.</p>	<p>4.8(a) According to WPC, DoT, at present, spectrum is being allotted administratively to satellite based service along with other terrestrial services on interim basis through administrative order issued periodically for a period of three months at a time. <u>A proposal for policy decision on allotment of spectrum for all types of services including satellite-based services is under consideration within department.</u></p>

<p>4.10 (d) If a request for change in name, logo or language of a Channel is made within one year from the last such change, then MIB may carryout detailed examination. In such cases, MIB should take decision on request for change in name, logo or language of a channel within a period of 30 days from the date of receipt of application along with the prescribed changes (if any).</p> <p>4.10 (e) In all other cases, the proposed changes in the logo, name or language of a channels should be taken on record online after payment of the prescribed charges (if any).</p>	<p>4.10(d) <u>This Ministry does not agree with the recommendation</u> as requests for change of name, age etc. are examined from various angles.</p> <p>4.10(e) Granting permissions for changes of name, logo or language requires detailed examination on account of trademark verification, violation of other acts and other relevant aspects. <u>Hence, this recommendation is not agreeable.</u> Further, payments of all charges are made online now.</p>
<p>4.11 (a) For the event to be uplinked for viewing in India, if: (i) The applicant company has agreement with the existing broadcaster(s) and teleport operator; and (ii) The applicant company propose to use the pre-approved DSNG and space spectrum for temporary uplinking of live event; and (iii) The broadcaster(s) undertake to comply with the Program and advertisement Code; then the registration of the necessary details by the applicant company along with the requisite documents and payment of requisite fee through the proposed integrated online portal should be sufficient.</p> <p>4.11 (b) For the events to be uplinked for viewing outside India, if: (i) The applicant company has the agreement with the existing teleport operator; and (ii) It proposes to use the pre-approved DSNG and space spectrum for temporary uplinking</p>	<p>4.11(a) & 4.11(b) <u>These recommendations need to be deliberated upon</u> further before a decision is arrived at by this Ministry.</p>

	<p>of live event; then the registration of the necessary details by the applicant company along with the requisite documents and payment of requisite fee through the proposed integrated online portal should be sufficient.</p>	
	<p>4.13 The Authority recommends that the issue of open sky policy for Ku band frequencies may be taken up by MIB in INSAT Coordination Committee (ICC) meeting and the same should be adopted.</p>	<p>4.13 <u>The recommendation needs to be deliberated upon</u> further and discussed with relevant agencies.</p>
	<p>4.16 (a) The Government should design a separate policy framework for grant of permission to conduct trials/testing by existing as well as new service providers.</p> <p>4.16 (b) WPC should allocate specific frequency slots for trials/experimental purpose.</p> <p>4.16 (c) Depending on the nature of the trials and the time required for their completion, two types of licenses should be issued, one for the short term for a period for 3 months extendable up to 6 months and the other for the long term issued for 2 years extendable up to 3 years, on case-to-case basis.</p>	<p>4.16 (a) to 4.16(c) This is an innovative recommendation. <u>Ministry will discuss this with other stakeholders.</u> However, according to WPC, DoT, the issue regarding “Experimental Licenses” and their validity period was also a part of another TRAI Recommendation on “Ease of Doing Telecom Business” dated 30.11.2017. This TRAI recommendation is under consideration of the DoT.</p>

**Gist of recent reforms made in the telecom and broadcasting sector
for Ease of Doing Business**

S. No.	Reform/Change made	Date
1.	Revamp and launch of New BroadcastSeva portal	04.04.2022
2.	Integration of SaralSanchar and BharatKosh portals	23.03.2022
3.	FDI Compliance made annual	02.08.2022
4.	IP-I registration, IFMC authorization and NOC for sale/rent of International SIM Cards	14.06.2022
5.	Validity of MoD clearance for ILD Operators increased from 6 months to 1 year	27.05.2022
6.	Standard Operating Procedure for Deduction Verification	10.05.2022
7.	Launch of e-Bill System by MCA for central Ministries	23.03.2022
8.	Simplification of SACFA for Low Power BTS	09.05.2022
9.	Launch of Single Scrutiny workflow for WPC	25.05.2022
10.	Removal of NOCC Charges for use of space segment by telecom operators	06.05.2022
11.	Removal of NOCC charges for use of space segment by all operators including TV/Broadcasting operators	26.10.2022
12.	Regulatory overlap in Mandatory Testing removed	30.04.2022
13.	Satellite Communication Reforms 2022	26.10.2022
14.	Uplinking Downlinking Guidelines 2022	09.11.2022
15.	Removal of Bit Rate Restriction by DoT & WPC Endorsement made self-declaration based	21.11.2022
16.	Introduction of Numbering Resource Management System (NRMS) in SaralSanchar Portal	31.01.2023

Annexure D

Organization Chart of Department of Telecommunications

