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CHAPTER III

Summary of Issues for Consultation

Definition and Scope of 'ALTD Services'

Q1. What should be the appropriate definition and scope of Application-based Linear Television Distribution Services, i.e., 'ALTD Services' in the Indian broadcasting context, taking into account terminologies available internationally? Stakeholders are requested to provide their comments with detailed justification.

FAST CHANNELS – Free Advertising Supported TV – is best nomenclature that all entities even abroad recognise.

Primary Stakeholder

Q2. The 'ALTD Services' ecosystem involves multiple entities, including application providers, television equipment manufacturers, operating system providers, broadcasters, content providers, content aggregators and other technology or solution providers. However, the application provider appears to play a central role in the distribution of linear television channels across various business models. In this context, should the Application Provider be designated as the primary stakeholder responsible for obtaining authorisation for the provisioning of 'ALTD Services'?

a. If yes, please provide detailed justification and supporting reasons.

b. If not, please identify the appropriate stakeholder(s) who should be responsible for obtaining such authorisation, along with rationale.

As mentioned in para 1.62 of this consultation paper, all application providers that distribute linear television channels to consumers, either as applications pre-installed on television sets and other devices, or downloadable mobile or smart TV applications, or web-based applications accessible through web browsers are referred to as '**Application-based Linear Television Distribution (ALTD) Services**'. Further, while these services are presently primarily ad-supported, there may be instances where its cost is bundled within a subscription package and they may evolve into paid offerings in the future. Accordingly, these services are designated as **ALTD Services** as a wider term encompassing FAST Services.

As in the case of MIB downlink license a local Indian corporate entity must apply for and hold the FAST license (the LICENSEE) on behalf of the FAST channel provider where-ever located. This will ensure one single point of responsibility for the content and distribution - The licensee will in turn ensure onward distribution through the other various stakeholders in the distribution chain related to content and advertising

revenues, based on mutual agreements – similar to Linear broadcasters ensuring re-distribution of their content/channel with DTH, MSO, and DPOs/independent operators.

Such FAST distribution would exclude distribution on cable and sat TV platforms, and should be restricted to IP streaming on IPTV/OTT platforms.

Q3. What should be the terms and conditions including fees or charges for the grant of service authorisation to the application providers provisioning ‘ALTD Services’ in India, under the ‘Television Channel Distribution Services’ as recommended in Annexure-II of ‘Authorisation Recommendations dated 21st February 2025’? Stakeholders are requested to provide their detailed comments including but not limited to the following conditions:

- 1. Service Area**
- 2. Validity Period**
- 3. Eligibility Conditions**
- 4. Minimum Net worth**
- 5. Processing Fee**
- 6. Entry Fee**
- 7. Bank Guarantee**
- 8. Authorisation Fee**
- 9. Security Deposit**
- 10. Roll Out Obligations**
- 11. Any other terms and conditions**

Further, what terms and conditions/obligations should be put in place for foreign entities providing ‘ALTD Services’ in India?

What should be the common terms and conditions applicable for the authorised entities provisioning ‘ALTD Services’ in India, under the ‘Television Channel Distribution Services’ as recommended in Part-I of Annexure-III in ‘Authorisation Recommendations dated 21st February 2025’? Stakeholders are requested to provide their detailed comments on the following conditions:

- a. Renewal of Authorisation**
- b. Renewal Fee**
- c. Equity Holding and Management Control**

ALTD services should be allowed similar to current broadcast/downlink license, with some differences :

- Due to limited subscription and advertising revenues – in a growing digital market - the up-front Net Worth and Security deposit as applicable to Broadcasters for a FAST-ALTD license should be withdrawn.*
- Above can be replaced with an annual 5/10 yr license fee per ALTD service (as applicable for the 10 yr MIB downlink license)*
- ALTD license should be held by corporate entities (majority Indian ownership with x % directors with minimum 20 yrs media experience) and a minimum net worth.*

- *The ALTD license will not apply to current MIB licensed broadcasters streaming the SAME channel/content ; they should be allowed to convert their linear channels as licensed by MIB under their downlink license to also stream same as a FAST-ALTD service.*
- *ALTD licensees will ensure they meet the current applicable programming & advertising code as applicable to broadcasters/ MIB licensees.*
- *All other process/one time fees etc can be similar to the MIB licenses .*

Terms and Conditions of 'ALTD Services' Authorisation

4. **Restriction on cross-holding of equity shares/capital contribution between**
 - i. **TV broadcasters and application providers provisioning ALTD services**
 - ii. **Application Providers provisioning ALTD services and other DSPs**
5. **Transfer/Surrender of Service Authorisation**
6. **Sharing of Infrastructure**
7. **Any other terms and conditions**

TV broadcasters should face no obstacles to apply for and commence a ALTD service – and vice versa- with whatever content they feel has a market provided they meet the license conditions.

Q5. What should be the specific terms and conditions for the authorised entities provisioning 'ALTD Services' in India, under the 'Television Channel Distribution Services' as recommended in Part- II of Annexure-III in 'Authorisation Recommendations dated 21st February 2025'? Stakeholders are requested to provide their detailed comments on the following conditions:

1. **Reservation of operational channel capacity by Vertically Integrated Entity**
2. **Platform Services (PS) offered by application providers provisioning ALTD services**
3. **Monitoring and Inspection of facilities**
4. **Supply of Information to Central Government/TRAI**
5. **Contravention of terms and conditions of authorisation**
6. **Any other terms and conditions**

Further, whether the mandatory sharing of Sports Broadcasting Signals with Prasar Bharati and the compulsory transmission of certain channels as mandated for DTH, HITS and IPTV services should be applied to the application providers provisioning 'ALTD Services'. Stakeholders are requested to provide their comments with detailed justification on all such obligations that should be made applicable on such entities.

Best approach is to keep all ALTD provisioning & licensing norms very similar to current MIB down link licenses – which the entire TV-content industry is already familiar with and followed for years , with the exception of high upfront fees and high net worth requirements – as applicable to MIB b'cast licenses - that can throttle the growth, revenues and content choice of the new/growing ALTD market which is yet to arrive at consistent advertising or subscription revenues, unlike linear broadcasting.

Q6. What type of assurance or certification mechanism should be prescribed for television manufacturers and operating system providers to ensure that applications provisioning ALTD services, (whether pre-integrated with television sets or made available for download through application stores or web platforms) are duly authorised by MIB.

Should be left to the ALTD licensee who can decide on the best technical and commercial requirement for easy and wide spread distribution of his service with all other stakeholders – CTV, cellphones, OTT platforms , IPTV services, Apps online etc.

Q7. What kind of assurance mechanisms should be instituted to ensure that the applications providers authorised for provisioning ALTD services carry only those channels which are authorised/permited by MIB for distribution in India. What kind of penalty/disincentive/deterrent be instituted for non-compliance? Provide your comments with justification.

Similar to MIB broadcast licenses – with warning and take down penalty of the channel in event of any violations.

Q8. Whether there is a need to prescribe any specific terms and conditions for value-added services offered by ALTD service providers? If yes, what should be the terms and conditions? Stakeholders are requested to provide their detailed comments with justification.

Television channels provisioned under ‘ALTD Services’

Value added services to form part of the ALTD license provisions that are allowed, under the same ALTD license terms /conditions

Q9. Whether the broadcasters/content owners providing or intending to provide television channels on ALTD platforms operating in India be mandated to obtain authorisation either for:

- **Satellite-based Broadcasting and/or**
- **Ground-based Broadcasting**

along with its applicable terms and conditions, before entering into the agreements with authorised entities provisioning ALTD services to consumers? If yes, provide reasons with justifications.

The ALTD licensee should have the freedom to decide whatever content he wishes to carry / distribute – so long as it is covered under the terms/conditions of his ALTD license and meets the program & advertising codes. Re-transmission of a MIB approved/licensed TV channel will automatically be allowed under a ALTD license.

Q10. In view of the availability of the pay television channels on ALTD platforms, what pricing methodology should be adopted for price parity of television channels across these platforms? Please provide detailed justification for your response.

ALTD licensee can fix Pay channel rates as he feels the market allows and the formula for same can be the similar to broadcasting/MIB rules. Current licensed /broadcast Pay TV channels can be distributed under a ALTD license at the SAME rates/pricing/package as applicable to broadcast.

Consumer Protection

Q11. What obligations are required to be specified for the authorised entities provisioning ALTD services, with respect to consumer protection and grievance redressal mechanism, considering the different modes of service access such as smart televisions, websites, mobile applications etc.? Please provide your comments with detailed justification.

Same as applicable to broadcast TV licensees – irrespective of the mode of downward distribution of the content.

Audience Measurement

Q12. With the revised guidelines now including multiple viewing platforms in audience measurement, stakeholders are requested to furnish their comments on the right methodology for integrating ALTD service data into the television ratings framework, as well as the proposed timelines for implementation, supported by detailed justifications.

This is best worked out by BARC in consultation with the B'casters/ALTD licensees and advertising agencies representing their corporate clients. Unlike BARC exclusivity in broadcasting viewership measurements, the ALTD market should be open to multiple advt rating agencies of which the advertisers can pick their best option.

Q13. Under the revised guidelines, television distribution platforms and/or OTT platforms may publish periodic viewership data of broadcasters/channels they carry on their platforms and/or on their websites, without prior registration. In this context, stakeholders are invited to provide their comments on how such an enablement can be aligned with the proposed authorisation framework for application providers provisioning ALTD services, along with any related considerations.

Should be similar to / as applicable to current broadcast measurements. ALTD content distributors are already sharing number of users, watch time and sessions on a daily basis with the ALTD channels.

Future consideration for 'ALTD Services'

Q14. Considering the scenario wherein application providers provisioning ALTD services may adopt a hybrid business model offering free and/or paid services,

stakeholder comments are invited on how such services should be subject to the regulatory framework, particularly with respect to tariff, interconnection and quality of service aspects. Please provide your comments with justification.

Rules to apply same as for broadcasting currently.

Any other Issue

Q15. Whether there are other issues (such as channel positioning on home screen, EPGs, revenue sharing, interconnection agreements including marketing and placement agreements, etc.), not specifically covered in this consultation paper, which may be relevant for consideration while formulating the regulatory framework for ALTD services? Stakeholders are also requested to share relevant international best practices or regulatory approaches, if any, along with appropriate justification.

There should be no restrictions ; in broadcast TV measurements , BARC is already NOT measuring viewership of a channel landing page and this should apply to ALTD.
