

MAIT inputs on TRAI’s Consultation Paper on “Formulation of a Regulatory Framework for Application-based Linear Television Distribution (ALTD) Services (Including Free Ad-Supported Streaming Television (FAST) Services)”

Executive Summary

It is crucial to recognize that services such as ALTD cannot be regulated in the same manner as traditional distribution platforms. Still in their infancy, regulation of ALTD services could constrain innovation, inhibit content creators and be detrimental to consumers. If at all, a light-touch regulatory framework can be adopted with minimal intervention for such services. This approach will foster innovation and enable seamless adaptation to the dynamic digital landscape. These services play a pivotal role in bridging the digital divide by providing access to content, both global and local, that is otherwise costly and difficult to access. The uptake of this service is a clear reflection of user preference for the same.

In a country of 1.4 billion where internet is an enabler to connect the farthest corners of the country, penalizing innovation just to bring it down to the level of traditional distribution platforms would be doing a huge disservice to the nation. Therefore, TRAI should act as a facilitator rather than a prescriptive regulator, ensuring that the digital ecosystem thrives while maintaining a balance between regulation and innovation.

In addition to facilitating greater consumer choice, ALTD platforms play a critical role in:

- Lowering barriers to entry for content creators and broadcasters, in line with the Government’s clarion call for boosting India’s “creator economy”
- Expanding distribution opportunities for regional and targeted content
- Enabling monetization models for small and mid-sized content providers through ad-supported free access

This is especially relevant in a market like India, where linguistic and cultural diversity creates a strong need for scalable and inclusive content distribution platforms.

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.

Answer 1: Application-based Linear Television Distribution Services (ALTD Services) represent a transformative shift in the broadcasting landscape, aligning with global trends in digital content delivery. In the Indian context, ALTD Services can be defined as "technology-driven services that enable the distribution of linear television content through dedicated applications or web-based interfaces over internet, offering viewers access to scheduled programming." Such services are thus different from traditional broadcasting services, which operate on uplinking-downlinking principles. In the US and EU, FAST platforms are treated as neutral distributors, not broadcasters. In Korea, another country with a strong creator economy, while there is no regulation of similar services at present, the regulator has shown a positive stance toward a light-touch

regulatory approach, recognizing that over-regulation could inadvertently constrain innovation and limit the expansion of the content ecosystem.

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.

Answer 2: Application providers play a pivotal role in delivering ALTD services, serving as the primary touchpoint for users. Users typically associate the service with the application itself. Application providers also provide for the seamless integration of advertisements. However, in other global markets such as US and EU, such platforms are treated as neutral distributors and are not categorized as broadcasters.

Application providers thus play a crucial role in driving innovation, enhancing user experience and enabling accessibility. However, it is equally crucial to note that they are not broadcasters, and thus should at best, be subject to a light-touch regulatory framework, rather than the onerous authorization framework needed for uplinking/downlinking services. This approach will ensure that innovation is not stifled by prescriptive regulations.

Terms and Conditions of ‘ALTD Services’ Authorisation

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:

- a. Service Area
- b. Validity Period
- c. Eligibility Conditions
- d. Minimum Net worth
- e. Processing Fee
- f. Entry Fee
- g. Bank Guarantee
- h. Authorisation Fee
- i. Security Deposit
- j. Roll Out Obligations

k. Any other terms and conditions

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

Q4. 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
- d. 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
- e. Transfer/Surrender of Service Authorisation
- f. Sharing of Infrastructure
- g. Any other terms and 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:

- a. Reservation of operational channel capacity by Vertically Integrated Entity
- b. Platform Services (PS) offered by application providers provisioning ALTD services
- c. Monitoring and Inspection of facilities
- d. Supply of Information to Central Government/TRAI
- e. Contravention of terms and conditions of authorisation
- f. Any other terms and condition

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.

Combined response for questions 3, 4 and 5: At the very outset, the approach outlined in these questions would be highly regressive, stifling innovation and subjecting a totally different technology to an outdated regulatory regime that may have been suited for the DTH, HITS and IPTV services. ALTD services rely on internet for delivery of services and do not rely on traditional broadcast spectrum through uplinking/ downlinking infrastructure, which are the backbone of traditional broadcasting. Unlike cable or DTH/

HITS/ IPTV, there is no scarcity of resources in providing ALTD services, and subjecting these services to a regulatory regime meant to regulate services based on scarce resources would be an overreach.

To ensure seamless consumer experience, at best a light-touch regulatory framework could be envisaged for ALTD services. If deemed necessary, application providers can simply register with the Ministry of Information and Broadcasting (MIB). Since internet is inherently global in nature and not confined to geographical boundaries, ALTD Services should not be restricted by traditional service area definitions.

Conditions like cross-holding restrictions and infrastructure sharing have no relevance for ALTD services, and cannot be part of this simplified framework. Instead, the focus should be on transparency and equity, which are standard industry practices and globally acceptable while being pro-consumer.

The technology (operating system) behind ALTD platforms is proprietary, and sharing it would involve significant security risks and infringement of intellectual property rights without providing any ultimate benefit to consumers. Therefore, mandatory infrastructure sharing, a concept linked to DTH services, is not applicable to ALTD services which do not require any common physical infrastructure.

Must-carry channels are already available to consumers through internet, and bundling them over ALTD platforms would be superfluous. Further, all TVs sold in India mandatorily include a TV Tuner which enables access to all such channels on DD Free Dish.

Regarding monitoring, inspection and information sharing, we can support standard information reporting (that maybe decided after due consultation between MIB and relevant stakeholders), but any physical or system access to platform infrastructure would compromise security, intellectual property rights and operational integrity without providing significant benefits to consumers or the industry. A balanced approach will ensure transparency while safeguarding the proprietary nature of these platforms.

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 authorized by MIB.

Answer 6: TV manufacturers or operating system providers do not necessarily provide ALTD services, and thus are per se out of the ambit of this consultation paper. It is to be noted that TV manufacturers in India already operate in a complex, multi-layered regulatory framework. This includes compliance with BIS norms under the Compulsory Registration Scheme (CRS), environmental obligations, legal metrology (ensuring proper labeling and packaging), energy efficiency labeling, the Consumer Protection Act 2019, and WPC approvals for wireless certification, among others. Any regulation on TV manufacturers or OS providers would fall within the remit of MeitY.

Introducing an additional certification mechanism would not only impose a cumbersome regulatory burden on TV manufacturers, but also contradict the ethos of ease of doing business. Such measures could significantly disrupt product launch cycles, hinder innovation, and delay the availability of new products, ultimately affecting consumer access to cutting-edge technology.

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/permitted by MIB for distribution in India. What kind of penalty/disincentive/deterrent be instituted for non-compliance? Provide your comments with justification.

Answer 7: Application providers can be required to register with the Ministry of Information and Broadcasting (MIB) under a simplified regulatory framework. As part of this registration, they will disclose all channels offering linear content on their platform, as and when any such channel is onboarded.

To verify the accuracy of disclosed channel lists, MIB can undertake market surveillance through its electronic media monitoring centre mechanism. If MIB blacklists any content or channel as per applicable law, application service providers may be directed to remove such channels or content within a specified period of time.

The primary responsibility for content rests with the broadcaster and channel owner, not the ALTD platform. As neutral distributors, ALTD platforms should not be held liable for content related issues, provided they act within specified time on take-down notices under applicable law.

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.

Answer 8: The success of Value-Added Services (VAS) depends on its alignment with the user requirements and its subsequent uptake by the users. These services thrive when they meet the evolving needs and preferences of users. Imposing prescriptive terms and conditions on VAS could hinder their organic growth and negatively impact the user experience.

While it is essential to ensure accountability, the VAS beyond the basic linear distribution services should be governed solely by general consumer protection laws, rather than sector-specific ALTD regulations. This approach allows VAS providers the flexibility to innovate and adapt, ensuring that they continue to deliver value to users while following a balanced regulatory framework and without the need to follow additional licensing requirements. By focusing on user-centric solutions and minimizing regulatory constraints, we can foster an environment where VAS services flourish, enhancing the overall digital ecosystem.

Television channels provisioned under 'ALTD Services'

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.

Answer 9: Broadcasters should have the freedom to choose their delivery platform, whether it's ALTD or traditional mediums. The mode of delivery determines market structure, consumer access and regulatory interventions. Globally, such services are recognized as digital services and are not subject to legacy broadcasting rules.

Therefore, broadcasters and content owners should not require authorization for satellite or ground-based broadcasting before using ALTD platforms.

Q.10 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.

Answer 10: ALTD services and traditional distribution platforms differ significantly in how they deliver content and generate revenue. Traditional platforms primarily rely on subscription-based models, whereas ALTD services can be either paid or free. ALTD services can be offered to consumers at no subscription cost, with advertising revenue serving as the primary income source for all parties involved. This model allows for the free distribution of linear content, as broadcasters can explicitly license channels to application providers for ad-supported delivery.

In a free market, pricing decisions should be made by broadcasters, not regulators. Regulators should only intervene in pricing for essential services, leaving market dynamics to determine the cost of ALTD services. Regulating prices to bring parity across different modes would be against the provisions of the Competition Act.

Both distribution mechanisms vary greatly, requiring different infrastructure and technologies, and should be regulated differently. Treating them the same would undermine innovation and advancements in technology, denying consumers the unique benefits of ALTD services.

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.

Answer 11: ALTD services are already covered under a robust consumer protection framework, including the Consumer Protection Act, IT Rules and advertising standards. Introducing additional sector-specific consumer protection obligations would be redundant and excessive.

A light-touch regulatory framework, relying on existing legal safeguards, is both sufficient and appropriate. This approach ensures consumer protection without imposing unnecessary burdens on ALTD service providers, allowing them to innovate and deliver accessible content to users.

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.

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.

Combined response for questions 12 and 13: ALTD services typically collect anonymized and aggregated viewing data, such as total viewership, average watch time, device type, session duration and engagement trends for channels and content. While such anonymized data maybe shared with appropriate authorities, if mandated under law, it should not require individual user data or device-level information, which would be violative of the provisions of the DPDP Act.

Such sharing can be implemented in a phased manner, after assessing the time, financial, and human resources required for technical integration. It's important to note that the measurement methodology must account for the distinct viewing behavior on ALTD platforms.

While the application provider retains ownership of this data, mandatory public disclosure of viewership data should be avoided, as it is commercially sensitive and not required in any comparable international market. Instead, platforms should have the freedom to share aggregated, non-personally-identifiable viewership data for their own commercial purposes, such as marketing, broadcaster relations and advertiser reporting, without needing additional regulatory oversight.

Sharing data for industry measurement is sufficient public disclosure. This approach protects user privacy while maintaining the flexibility of these platforms.

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.

Answer 14: ALTD services are at an early stage of development in India, driven by the innovation and flexibility they offer users. Intervention, particularly around tariffs or future business models, risks disrupting adoption of new technologies even before the market has had the opportunity to mature. Currently, most linear content on these platforms is free for users, made possible through specific arrangements with broadcasters. Such arrangements, including hybrid business models, are based on confidential business decisions, and cannot be subject to regulatory oversight in terms of tariffs. Further, interconnection and quality of services are not linked to business models, but depend on factors such as the quality of internet and content.

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.

Answer 15: Home screen placement and EPG positioning are editorial and/ or commercial decisions. Further, a TV home screen is totally different from an ALTD service provider, and clearly outside the ambit of this consultation paper.