

**Network18 Media & Investment's Limited preliminary submissions to the Consultation Paper issued by the Telecom Regulatory Authority of India on Formulation of a Regulatory Framework for Application-based Linear Television Distribution Services (Including Free Ad-Supported Streaming Television (FAST) Services) dated 06.04.2026.**

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1. The Consultation Paper arises out of a reference dated 15.12.2025 ("**Reference**") of the Ministry of Information & Broadcasting ("**MIB / Ministry**") seeking TRAI's recommendations on the formulation of a regulatory framework for Free Ad-Supported Streaming Television ("**FAST**") services. We note that the Reference, and accordingly the Consultation Paper, came about based on representations made by the All India Digital Cable Federation ("**AIDCF**"), which represents the interests of distribution platform operators ("**DPOs**").
2. It is our respectful submission that this consultation exercise *inter-alia* raises jurisdictional issues since, it explores the authorization and regulation of Application-based Linear Television Distribution ("**ALTD**") / FAST services, under the Telecommunications Act, 2023 ("**Telecommunications Act**") and the Telecom Regulatory Authority of India Act, 1997 ("**TRAI Act**").
3. The Telecommunications Act represents a conscious legislative movement away from infrastructure-centric framework of the Indian Telegraph Act, 1885 ("**Telegraph Act**"). The Telegraph Act emerged in a colonial-era context where the State retained exclusive privilege over all forms of signal transmission infrastructure through the concept of "telegraph", and therefore the statutory definition was intentionally sweeping in order to preserve sovereign control over communication networks and transmission systems themselves. The Telecommunications Act, however, must be understood as a modern sectoral legislation directed towards regulation of telecommunication carriage, connectivity and communication infrastructure, and not as a statute intended to regulate all forms of dissemination of content over the internet. The architecture of the Telecommunications Act demonstrates a clear movement away from the "telegraph" concept towards a more compartmentalised framework focused upon entities engaged in communication carriage and telecommunication infrastructure. This becomes evident from the operative structure of the statute itself. The Telecommunications Act revolves around the framework for entities to establish, operate and maintain telecommunication networks and provide telecommunication services. The statute therefore principally contemplates entities engaged in connectivity and carriage functions. OTT services, however, do not establish public telecommunication networks, seek allocation of spectrum, assign numbering resources or provide end-to-end telecommunication connectivity. Rather, they operate purely as application-layer audiovisual and content dissemination services functioning over underlying telecom infrastructure established and maintained by licensed telecom operators and internet service providers.

4. Further, the phrase “telecommunication services” cannot be interpreted in isolation divorced from constitutional context and legislative purpose. Adopting an interpretation whereby every internet-based dissemination of audio-visual material constitutes a telecommunication service would lead to manifestly excessive and constitutionally problematic consequences. Such an interpretation would *inter-alia* potentially convert OTT streaming services, digital publishers, newspapers operating websites, video conferencing platforms, gaming platforms, cloud applications, social media intermediaries and even ordinary websites into entities requiring telecom authorisation merely because content is transmitted through electromagnetic systems. Such an interpretation would result in collapse of the well-recognised distinction between telecom carriage infrastructure, internet applications and dissemination of speech and content.
5. Globally also, regulatory systems have increasingly moved towards light-touch regulation of OTT and internet-based audiovisual dissemination services, with greater recognition of such dissemination as part of the broader freedom of speech and expression ecosystem rather than conventional telecom carriage. International approaches do not envisage regulatory models under classical telecom licensing regimes since they are historically designed for scarce spectrum allocation, right of way and network infrastructure control. This acquires even greater constitutional significance in India because dissemination of content (including films, series, news, documentaries and other audio-visual expression) through internet platforms directly implicates Article 19(1)(a) of the Constitution. Any interpretation expanding telecom regulation into the domain of online content dissemination must therefore satisfy heightened constitutional scrutiny and cannot be presumed merely from broad technological definitions / provisions.
6. Importantly, the Telecommunications Act itself does not create a content-regulation framework for OTT platforms. The Information Technology Act, 2000 and the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021 have been made applicable to online curated content. This separate legislative treatment itself reinforces the position that Parliament continues to maintain a distinction between telecom carriage services and internet-based content dissemination services.
7. Accordingly, ALTD / FAST services cannot automatically be presumed to constitute “telecommunication services” merely because internet transmission technologies are involved. The dissemination of audio-visual content over the open internet does not by itself transform an OTT platform into a telecommunication service provider within the meaning and purpose of the Telecommunications Act. Any contrary interpretation would risk creating an unbounded theory of telecom regulation over the internet itself, contrary to constitutional guarantees of free speech, global convergence practices favouring minimal intervention, legislative compartmentalisation across telecom and IT

laws, and the settled principle that statutes affecting expressive activity must receive narrow and constitutionally compatible construction.

8. Further, ALTD / FAST services, are not themselves 'telecommunications services' since they are essentially software for linear audio-visual content including news and value-added services ("VAS") delivered 'over-the-top' ("OTT") of the open Internet. Thus, they operate on the 'application layer' which makes them fundamentally distinct from the 'network layer' comprised of telecommunications services, i.e., infrastructure and carriage mechanisms which are regulated by the Telecommunications Act and the TRAI Act.
9. Accordingly, classifying ALTD / FAST services as 'telecommunications services' to be regulated by the Telecommunications Act and the TRAI Act would go beyond the limits of the statutory framework by disregarding the distinction between carriage (the network layer) and content (the application layer). This distinction is well established under existing regulatory frameworks in India, and is also reflective of the global position, as multiple jurisdictions treat ALTD / FAST services as digital software services, and not as traditional telecommunications infrastructure.
10. Additionally, imposing an authorization / regulatory framework upon ALTD / FAST services would risk impinging upon the right to freedom of speech and expression guaranteed under Article 19(1)(a) and freedom of trade and business under Article 19(1)(g) of the Indian Constitution. Further, treating ALTD / FAST services as traditional telecommunications or broadcasting carriage services instead of digital software services risks infringing the right to equal treatment under Article 14 of the Constitution.
11. We respectfully submit that the digital ecosystem, as well as the broadcasting and telecommunications sectors, would be better served by extending forbearance to traditional broadcasting and DPOs, rather than imposing an authorization / regulatory regime upon Internet services to achieve regulatory parity.

#### **Preliminary Submissions:**

- A. **ALTD / FAST Services Are Not 'Telecommunications Services' under the Telecommunications Act.**
12. ALTD / FAST operate exclusively on the application layer, merely utilizing the underlying telecommunications infrastructure and network to provide content to consumers ("Application Layer"). On the other hand, telecommunication service providers ("TSPs") are involved in establishing and maintaining the physical connections, routing protocols, and broadband infrastructure that drive the operation of the Internet ("Network Layer").

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13. The separation of the Application Layer from the Network Layer is a foundational architectural principle of the Internet and digital communications. Further, a holistic reading of the Telecommunications Act makes clear that its authorization and regulatory framework is intended to focus on the physical and logical infrastructure that enables connectivity.
14. Section 2(p) of the Telecommunications Act defines “telecommunication” as the *“transmission, emission or reception of any messages, by wire, radio, optical or other electro-magnetic systems, whether or not such messages have been subjected to rearrangement, computation or other processes by any means in the course of their transmission, emission or reception”*. Further, Section 2(g) of the Telecommunications Act defines a “message” to mean *“any sign, signal, writing, text, image, sound, video, data stream, intelligence or information sent through telecommunication”*. Section 2(t) of the Telecommunications Act defines a “telecommunication service” simply as “any service for telecommunication”.
15. It is important to note that ALTD / FAST application providers do not engage in the *“transmission, emission or reception”* of signals via electro-magnetic systems. Rather, they operate by packaging audio-visual content into data packets on cloud servers and providing a software interface for end-users to view that content. They do not own, manage, or establish the *“wire, radio, optical or other electro-magnetic systems”* that transport these packets to the end-user’s device. The operation of the network and the actual ‘transmission’ of the data stream is executed entirely by network-layer entities such as TSPs and Internet Service Providers (“ISPs”) that operate the underlying infrastructure (broadband, optical fiber, cellular networks, etc.). It should also be noted that ALTD / FAST platforms do not provide any service whatsoever that is comparable with telecommunication services provided by TSPs.
16. Equating Application Layer services with Network Layer telecommunication services (*especially when the application layer service is not providing any service that is comparable with telecommunication services being provided by TSPs*) ignores the fundamental technological and architectural differences between the two, and would *inter-alia* amount to comparing un-equals as equals. Services operating at the Network Layer should be treated distinctly from services that operate on the Application Layer of the Internet.
17. Additionally, with respect to traditional broadcasting, the Policy Guidelines for Uplinking and Downlinking of Television Channels (“**Uplinking/Downlinking Guidelines**”) mandate news and non-news broadcasters to provide satellite TV channel signal reception decoders only to registered MSOs, Cable Operators, DTH Operators, IPTV Service Providers, or HITS Operators, i.e., DPOs. This restriction applies only to satellite-based signal distribution through signal reception decoders and does not extend to open public Internet-based dissemination of content. Compared to the public

Internet, DPOs own, manage, and operate closed networks – licensed carriage infrastructure for traditional broadcasting distribution.

18. Since ALTD / FAST services operate on top of the open Internet, they are outside the scope of regulated broadcasting and distribution services. Equating them with DPOs or subjecting them to telecom-style authorization frameworks would go beyond TRAI's jurisdiction under the TRAI Act.

**B. Preservation of Statutory Separation: Carriage vs. Content.**

19. The Telecommunications Act, which supersedes the Indian Telegraph Act 1885, preserves the statutory separation between network carriage and content. The Statement of Objects and Reasons of the Act conspicuously omits any reference to 'content regulation', underscoring a legislative intent focused exclusively on carriage. This confirms that ALTD / FAST services fall entirely outside the ambit of telecommunication authorization and economic regulation. Further, the inclusion of terms such as 'video' or 'data stream' in the definition of a 'message' under Section 2(g) merely recognizes the routing of modern content types / messages through networks, and it does not confer jurisdictional authority to regulate the content of those messages.

**C. OTT services have been deliberately excluded from the Telecommunications Act and therefore from the amended TRAI Act.**

20. The Telecommunications Act is designed to occupy the field of carriage and network operations exclusively. The legislature consciously and deliberately omitted OTT services (which would include ALTD / FAST services) from the explicit scope of the Telecommunications Act.
21. An earlier draft of the Telecommunications Act, i.e., the Draft Indian Telecommunication Bill 2022, included OTT services within the definition of "telecommunications services", defining it as follows:

*"telecommunication services" means service of any description (including **broadcasting services**, electronic mail, voice mail, voice, video and data communication services, audiotex services, videotex services, fixed and mobile services, internet and broadband services, satellite based communication services, internet based communication services, in-flight and maritime connectivity services, interpersonal communications services, machine to machine communication services, over-the-top (OTT) communication services) which is made available to users by telecommunication, and includes any other service that the Central Government may notify to be telecommunication services;"*

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22. However, following an extensive consultation process, the final text passed by Parliament excluded OTT services from the Telecommunications Act and consequently, from the amended provisions of the TRAI Act. Therefore, it would not be appropriate to include OTT services in the scope of the Acts indirectly.

D. **TRAI's jurisdiction is confined to carriage and does not extend to content or Internet-based services.**

23. ALTD / FAST platforms are inherently content curators, aggregators, and providers – they produce or procure licenses for scheduled audio-visual linear playback, insert targeted advertisements, and provide a user interface for consumers. The formulation by TRAI of an authorization and regulatory regime for ALTD / FAST services encompassing eligibility conditions, financial requirements, monitoring, compliance, and content-related obligations as well as economic framework would essentially bring such services within the telecommunications authorization and regulatory regime and would amount to a restructuring of the regulatory framework governing content services. The TRAI Act does not, however, contemplate such role in content regulation, either directly or indirectly through authorization or regulatory conditions.

24. The intent to consistently and consciously separate content regulation and carriage regulation is underpinned in the confinement of Telecommunications Act and TRAI Act to carriage-related aspects, thereby ensuring that regulation of speech and expression is not included directly or indirectly within authorization / regulatory frameworks.

25. The involvement of public resources such as spectrum or right of way is inherent in the justification for licensing and carriage regulation as it pertains to infrastructure and transmission. However, content regulation and specially ALTD / FAST services occupy a distinct space as explained above as well as since it directly implicates the fundamental right to freedom of speech and expression under Article 19(1)(a) of the Constitution. Any restriction on such right ought to satisfy the strict requirements of Article 19(2) and cannot be indirectly imposed through authorization or regulatory conditions framed under telecommunication statutes.

26. By imposing an authorization and/or regulatory (including economic regulatory) framework on ALTD / FAST services, the Authority would inadvertently exceed the statutory boundaries delving into the domain of content and media regulation over the Internet. This is beyond the mandate of the Telecommunications Act and TRAI Act, the provisions of which are confined to “services” as defined therein namely, carriage services.

E. **Article 19(1)(a) and the Scarcity of Public Resources.**

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27. As noted above, subjecting ALTD / FAST services to an authorization or regulatory regime raises questions concerning the fundamental right to freedom of speech and expression guaranteed under Article 19(1)(a) of the Constitution.
  28. The principle of 'exclusive privilege' in telecommunications authorization and regulation is based on the scarcity of public natural resources such as spectrum. ALTD / FAST services operate on the Application Layer where such scarcity does not apply since any number of applications can coexist and stream content over any networks.
  29. Further, the current MIB 'permissions' for satellite broadcasting are administrative registrations necessitated by satellite orbital coordination and uplinking logistics, and they are not statutory 'licenses' granted under Section 4 of the Telegraph Act as a sovereign privilege under telecommunication law.
  30. Since ALTD / FAST services operate in an environment of technological abundance on the Internet, subjecting them to a mandatory authorization or regulatory regime under the Telecommunications Act would constitute an unreasonable restriction on Article 19(1)(a) that fails the test of proportionality under Article 19(2). Requiring them to seek economic 'authorization' from the Government merely to stream content would be akin to requiring a telecommunication license to publish a digital newspaper, an outcome that is illogical.
- F. Equating ALTD / FAST services with legacy DPOs and ignoring the digital ecosystem would have implications under Article 14.**
31. By proposing to include ALTD / FAST services into the authorization and regulatory framework designed for traditional DPOs, the Consultation Paper ignores the reality of the digital ecosystem in which ALTD / FAST services actually operate.
  32. ALTD / FAST platforms compete for consumers' attention *inter-alia* with other OTT platforms and digital services including User-Generated Content ("UGC") platforms, Significant Social Media Intermediaries ("SSMIs") and online gaming platforms. Crucially, these competing platforms too operate entirely outside TRAI's jurisdiction.
  33. Subjecting ALTD / FAST services to the DPO framework while competing digital platforms continue to operate without any such constraints would create an unlevel playing field for ALTD / FAST services. Burdening ALTD / FAST services that distribute linear television channels with legacy broadcasting distribution licensing and regulatory conditions will handicap their technological and commercial agility against other digital incumbents. This arbitrary treatment of ALTD / FAST services would also amount to discrimination of ALTD / FAST services *vis-à-vis* other digital platforms, directly impacting their rights under Article 14 of the Constitution.

34. To maintain parity within the digital ecosystem, the existing legal framework should be permitted to continue as-is, since this unencumbered environment has been instrumental in driving India's digital growth.

G. **Ease of Doing Business, and the growth of Digital India.**

35. The premise of the Consultation Paper i.e., formulating an authorization and regulatory regime for ALTD / FAST services would also create conflict with the Government's 'Digital India' and 'Ease of Doing Business' initiatives, which emphasize upon light-touch regulation, the dismantling of archaic compliance burdens, and the promotion of a self-reliant, digitally empowered society.
36. ALTD / FAST services in India are nascent, highly innovative, and driven by the Internet economy. They rely on agile business models, primarily depending on ad-supported revenues to provide free content to consumers. Imposing a traditional TV channel distribution framework upon ALTD / FAST channels will create massive and insurmountable entry and continuity barriers. A flourishing and competitive digital landscape will provide diversity of opinions which is essential for news media which is the cornerstone of a democracy.
37. A prescriptive authorization and regulatory framework will instantly consolidate the market and force out players (including Original Equipment Manufacturers (OEMs) and content providers and application developers) who will face immense compliance burden and costs. This contradicts the Government's mandate to foster startup ecosystems and digital innovation, replacing a vibrant free market with the proposed prescriptive regulatory framework.
38. In addition to the above, the introduction of a prescriptive regulatory framework would *inter-alia* have a significant chilling effect on investments. The FAST ecosystem is closely interlinked with the broader smart television ecosystem, including hardware manufacturers, operating system providers, and application developers. The imposition of regulatory obligations would increase compliance costs and regulatory uncertainty, thereby deterring both investments in this space. This, in turn, would undermine innovation, limit consumer choice, and impede the growth of digital infrastructure. Such an outcome would be contrary to the Government's stated objective of fostering a robust digital economy and would risk stalling the development of an emerging and high-potential segment of the media and technology ecosystem.
39. ALTD/ FAST services are presently at a nascent and experimental stage of development, with business models still evolving and market structures yet to stabilize. Regulatory intervention risks stifling organic growth, innovation, and market-led evolution. Moreover, such an approach would be misaligned with the stated policy objectives of the Government of India, including 'Digital India', 'Viksit Bharat', and the broader

emphasis on ease of doing business, all of which seek to encourage innovation-led growth and reduce regulatory barriers in emerging sectors.

40. It is imperative to note that there is ample, robust competition for digital services currently, evident from the multitude of different platforms providing content globally. The ALTD / FAST ecosystem currently operates highly effectively under a self-regulatory and market-driven model. The applications are governed by comprehensive terms of service, stringent user consent frameworks, consumer protection laws, and intense market competition. Therefore, no new regulatory layer ought to be added. The market is adequately correcting itself, and consumer choice is at an all-time high.

H. **Regulatory Forbearance Can Address Level Playing Field Concerns.**

41. We note that traditional distribution platforms have argued that FAST channels create regulatory arbitrage by offering similar linear television experiences without the regulatory burdens of legacy DPOs. Hence, they argue that FAST channels ought to be brought under licensing regime to ensure a 'level playing field'. This argument is technologically and economically flawed. Traditional DPOs operate on closed, managed networks using exclusive spectrum / right of way, which is different from ALTD / FAST services that operate on the open, Internet, subject to high volatility, massive global competition, and complete dependence on third-party ISPs / TSPs for delivery quality. Therefore, there are fundamental structural differences in the 'playing fields' occupied by ALTD / FAST platforms and DPOs.

42. We submit that, without prejudice to our primary submissions regarding the lack of jurisdictional mandate, the solution to the DPOs' grievances is to 'level down' by introducing forbearance for traditional broadcasting and distribution platforms by removing artificial constraints on them rather than imposing a restrictive regulatory framework on innovative digital services. Adding a layer of authorization and regulatory framework to digital services in order to artificially protect legacy business models / expectations of DPOs would critically hamper innovation.

I. **International Precedents.**

43. Treating ALTD / FAST services distinctly from telecommunications services is supported by international precedents. As highlighted in the Consultation Paper, internationally FAST channels and ALTD services are treated as Application-Layer digital services, and not subjected to entry fees, authorization conditions, security deposits, economic regulations (interconnection / tariff), etc., which are characteristics of telecommunications licensing. While FAST services may have been defined in certain jurisdictions, there is no authorization and regulatory framework for ALTD / FAST services in these jurisdictions. As such, imposing such a framework in India would also be dissonant with international best practices and would *inter-alia* stifle digital media

sector specially adversely impacting start-ups, investments and innovation in the sector.

## **Conclusion.**

44. We reiterate our submissions (including preliminary submissions) above, which are urged in the alternative and independent of each other. Subjecting ALTD / FAST services to a regulatory and authorization regime under the Telecommunications Act and/or TRAI Act, goes beyond the scope of the said Acts and is fundamentally flawed.
45. ALTD / FAST services operate entirely on the Application Layer of the Internet. They do not operate on the Network Layer, and do not utilize scarce resources. Further, they do not execute the physical act of “telecommunication” as defined by statute.
46. Attempting to classify the content offering of ALTD / FAST platforms as “Telecommunication Services” under Section 2(t) or requiring them to obtain authorization under Section 3 of the Telecommunications Act is *ultra vires*, ignores the strict, historic legal distinction between ‘carriage’ (i.e., the pipes) and ‘content’ (i.e., the water), and infringes upon the fundamental right to freedom of speech and expression guaranteed under Article 19(1)(a) of the Constitution. It also goes against the global regulatory consensus of not imposing economic telecommunications licensing upon Internet streaming applications.
47. ALTD / FAST services operate in a dynamic and consumer-friendly ecosystem, competing not only amongst themselves but also with numerous other Internet based services (including those offering user-generated content, social media platforms, online gaming, etc.) for viewers’ attention and engagement. It is submitted that implementing regulatory forbearance for traditional broadcasting distribution and DPOs by systematically removing the tariff, regulatory and licensing burdens that currently restrict them would do more to achieve regulatory parity than imposing a prescriptive regulatory framework on the digital ecosystem.
48. We respectfully submit that TRAI should champion the principles of ‘Digital India’ by giving ALTD / FAST services the opportunity to flourish under market-based dynamics within the guardrails of existing consumer protection laws and the current self-regulatory paradigms that have proven highly effective.

## **Response to Specific Issues for Consultation.**

49. Without prejudice to the foregoing submissions, which are urged in the alternative, we respond to the issues raised in the Consultation Paper as under. The above submissions are reiterated and may kindly be read as forming part of the issue-wise response, and that they are not being repeated below solely for the sake of brevity.

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## Definition, Scope, and Primary Stakeholders (Q1 & Q2).

**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.**

**Response:** ALTD / FAST services are software applications operating over the open Internet, entirely distinct from carriage infrastructure. These are Application-Layer services and not Network layer services. As such, they should not be defined and should be excluded from the scope of definitions of "Telecommunication Services" under the Telecommunications Act 2023.

**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 authorization for the provisioning of 'ALTD Services'?**

**Response:** It is submitted that Application Providers or any other entity involved in ALTD / FAST services should not be required to obtain authorizations under the Telecommunications Act. In this regard, it is submitted that ALTD / FAST services do not constitute telecommunication services, and as such, no statutory authorization is required. Further, designating any entity, be it the TV manufacturers, OS providers, or Application Providers, as a "primary stakeholder" will not only be impermissible and *ultra vires* the provisions of the Telecommunications Act but would also make the framework practically unworkable, given the decentralized nature of service / software deployment. It is further submitted that the Government's position (MeitY and MIB) is that online content is regulated under the Information Technology Act (as amended) as well as the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021. In this regard, it may be noted that all online news publishers (as well as other content publishers) are already registered with the MIB as well, pursuant to the said Rules under the said Act.

## Terms and Conditions for Authorization (Q3, Q4, Q5).

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

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- a. Service Area
- b. Validity Period
- c. Eligibility Conditions
- d. Minimum Net worth
- e. Processing Fee
- f. Entry Fee
- g. Bank Guarantee
- h. Authorization 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 authorized entities provisioning 'ALTD Services' in India, under the 'Television Channel Distribution Services' as recommended in Part-I of Annexure-III in 'Authorization Recommendations dated 21st February 2025'? Stakeholders are requested to provide their detailed comments on the following conditions:

- a. Renewal of Authorization
- 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 Authorization
- f. Sharing of Infrastructure
- g. Any other terms and conditions

**Q5** What should be the specific terms and conditions applicable for the authorized entities provisioning 'ALTD Services' in India, under the 'Television Channel Distribution Services' as recommended in Part-II of Annexure-III in 'Authorization 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

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- d. Supply of Information to Central Government/TRAI
- e. Contravention of terms and conditions of authorization
- f. 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 made applicable 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.

**Response:** ALTD services operate at the Application Layer over the open Internet and do not involve licensed carriage, spectrum usage, or closed network distribution. As such, they fall outside the scope of "telecommunication services" under the Telecommunications Act. Consequently, no authorization framework whether in the nature of licensing, registration, or otherwise can be imposed upon such services under the existing statutory regime. Applying the television channel distribution services' framework (which was designed for capital-intensive physical infrastructure) to software applications would be a flawed approach. Similarly, imposing minimum net worth, entry fees, or bank guarantees on Internet applications *inter-alia* violates the fundamental right to carry on trade and business and aggressively stifles digital innovation.

We submit that obligations such as mandatory sharing of broadcasting signals with Prasar Bharati and the compulsory carriage of designated channels are rooted in public interest considerations intrinsically linked to the use of licensed spectrum, as well as the doctrine of scarcity that underpins the regulation of traditional broadcasting services. These obligations have historically been justified in the context of regulated, spectrum-dependent broadcasting ecosystems. However, extending such requirements to ALTD services would be legally unsustainable and fundamentally inconsistent with their nature as Internet-based, Application-Layer content platforms. Similarly, compulsory transmission of certain channels should not be mandated for ALTD / FAST services. In this regard, the Government's position (MeitY and MIB) is that online content is regulated under the Information Technology Act (as amended) as well the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021. It may also be noted that all online content publishers (including news publishers) are already registered with the MIB as well, pursuant to the said Rules under the said Act.

#### **Device Integration, Content Assurance, and Value-Added Services (Q6, Q7, Q8).**

**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.

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

**Response:** Original Equipment Manufacturers (OEMs) including TV Manufacturers, and Operating System providers are hardware and software vendors, and they are not telecommunication service providers. Mandating them to act as regulatory gatekeepers, enforcement agents, or censors is untenable. Regarding MIB-permitted news channels, the onus of compliance regarding content legality rests with the news publishers / creators under the general law of the land (e.g., laws against hate speech, obscenity, defamation, etc.) along with additional standards applicable to news. ALTD platforms, operating in a free market, voluntarily curate safe, high-quality content to attract advertisers and/or viewers. Imposing rigid certification mechanisms is unnecessary and creates an environment of prior restraint and censorship.

**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.**

**Response:** It is submitted that *inter-alia* for reasons stated herein there is no need to prescribe any specific terms and conditions for value-added services. It is further submitted that the Government's position (MeitY and MIB) is that online content is regulated under the Information Technology Act (as amended) as well the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021. In this regard, it may be noted that all online content publishers (including news publishers) are already registered with the MIB as well, pursuant to the said Rules under the said Act.

#### **Television Channels Offered and Pricing Parity (Q9 & Q10).**

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

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**Response:** It is submitted that broadcasters / content owners providing or intending to provide television channels on ALTD platforms operating in India should not be mandated to obtain authorization under the Telecommunications Act before entering into agreements with entities providing ALTD services to consumers. In any event, ALTD / FAST services are different and not comparable with services offered by DPOs, and as such, the question of parity does not arise. ALTD / FAST services operate in an altogether different environment competing with numerous other Internet based apps and websites (including UGC platforms, SSIMs and online gaming) for the attention of and engagement with viewers. Any regulation of ALTD / FAST services would disadvantage them completely with respect to other such Internet-based services and the same would also amount to their (ALTD / FAST services) discrimination *vis-à-vis* other Internet based services.

**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.**

**Response:** It is submitted that ALTD platforms are Internet applications, which do not constitute telecommunication services under the Telecommunications Act, and as such, the Authority has no jurisdiction to determine pricing methodology for price parity of television channels across these platforms. As stated above, the Authority may consider maintaining regulatory forbearance for traditional broadcasting, rather than imposing unworkable price controls on Internet applications.

### **Consumer Protection and Audience Measurement (Q11, Q12, Q13).**

**Q11. What obligations are required to be specified for the authorized 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.**

**Response:** ALTD platforms and digital services are already subject to the comprehensive provisions of the Consumer Protection Act, 2019, and other laws governing misleading advertisements and consumer rights, etc. This is not unique to ALTD / FAST services but universally applies to all Internet based apps / websites. Further, the digital ecosystem inherently features immediate, highly effective grievance feedback loops (e.g., app store reviews, social media engagement, direct in-app support ticketing). Additional DPO-style Quality of Service (QoS) mandates are redundant and practically impossible to enforce for numerous reasons, because the ALTD provider does not control the user's Internet bandwidth (the ISP does), which is the primary determinant of video streaming service quality.

**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.

**Response:** Audience measurement for digital applications is fundamentally different from traditional sampling-based television ratings. Digital platforms possess exact, deterministic analytics based on server logs and stream requests. Forcing these highly accurate deterministic digital metrics into an antiquated, sample-based statistical framework designed for linear broadcast is technologically regressive and practically impossible and as such, should be best left to rating agencies. Further, all relevant players should remain entirely free to *inter-alia* utilize global digital measurement standards without mandatory regulatory integration or oversight.

Without prejudice to the foregoing, it is respectfully submitted that the issue of whether television rating constitutes a “telecommunication service” already stands conclusively determined by the Hon’ble TDSAT in *Bennett Coleman & Co. Ltd. vs. BARC* (B.P. No. 612 of 2020), wherein it was categorically held that the activities undertaken by BARC in relation to television audience measurement do not fall within the ambit of telecommunication services. In view of the above, once audience measurement is held to be outside the scope of “telecommunication services,” the same necessarily falls beyond the regulatory domain of TRAI under Section 11 of the TRAI Act. It is also respectfully submitted that the new ratings guidelines dated 27.03.2026 referred to in the Consultation Paper also exclude TRAI’s oversight on ratings related issues and that MIB’s reference too excludes consideration of ratings related issues by TRAI.

#### **Future Considerations and Hybrid Models (Q14 & Q15).**

**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.

**Response:** ALTD services should not be subjected to any such regulations under the

Telecommunications Act and/or TRAI Act. Whether a digital application utilizes a free and/or paid, or a hybrid model is a purely commercial strategy. Imposing traditional DPO-style interconnection or tariff mandates on Internet software applications is unprecedented and would destroy the unit economics of the Indian digital streaming sector, driving away investments, players and ultimately will not be in consumers interests. As such, these aspects do not warrant interference and ought to be left to market forces.

**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.**

**Response:** Electronic Programme Guides (EPGs), UI/UX design, channel or content positioning, and search algorithms on smart TV applications are proprietary software features protected by intellectual property and copyright laws. Unlike a monopolistic cable set-top box, an ALTD app is just one of the numerous applications a user can choose to download and open. Mandating UI design, dictating algorithmic prominence, or interfering in agreements between app developers and content owners is an extreme measure *inter-alia* impinging on the freedom of contract and has no basis whatsoever. As such, these aspects do not warrant interference and ought to be left to market forces.

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**Network18 Media & Investment’s (*Network18*) additional counter-comments to comments on TRAI’s Consultation Paper regarding Formulation of a Regulatory Framework for Application-Based Linear Television (ALTD) Services (including FAST Services) dated April 6, 2026 (*Consultation Paper*).**

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**Preliminary Submissions.**

1. Û Pursuant to the Consultation Paper issued on April 6, 2026, and in view of the comments submitted by few responders in support of authorization / regulatory framework for Application-based Linear Television Distribution (**ALTD**) and Free Ad-Supported Streaming Television (**FAST**) services (**Responders**), Network18 reiterates its preliminary counter-comments and provides these additional counter-comments to oppose authorization and regulatory framework for ALTD/FAST services. We humbly request that our preliminary counter-comments which are not being repeated for the sake of brevity be read as forming part of the present additional counter-comments.
2. Û Our preliminary and additional counter-comments are aimed towards preserving the growth of India’s digital media ecosystem by opposing any inadvertent regulatory overreach since, ALTD / FAST services are outside the purview of the telecommunications and traditional broadcasting distribution frameworks.
3. Û We take this opportunity to reiterate that ALTD / FAST services are Internet-based application layer services that function over the open Internet. Subjecting them to a telecommunication authorization and/or traditional broadcasting carriage / distribution regulatory framework is not sustainable. It is submitted that the Parliament intentionally excluded Over-the-Top (*OTT*) services from the scope of the Telecommunications Act, 2023 (**Telecommunications Act**). As such any authorization / regulatory framework for ALTD / FAST services under the Telecommunications Act would be *ultra vires* and contradictory to the legislative intent.
4. Û It is important to note that the Draft Indian Telecommunication Bill, 2022, initially contained an explicit inclusion of “Over-the-top (OTT) communication services” within its definition of “telecommunication services”. After detailed public consultation and stakeholder feedback seeking exclusion of OTT services, the final text of the statute eventually excluded OTT services. It is submitted that OTT services are “network-agnostic” applications that ride on top of the Internet, and that no spectrum is allocated to OTT service providers, and they do not lay fiber-optic cables and do not possess the “right of way” to install infrastructure. Further, they also do not provide services that compete with those of Telecom Service Providers (TSPs) or Internet Service Providers (ISPs).

5. Considering that the legislature consciously removed a specific category of service from a Bill after public consultation, therefore, it is a clear signal of legislative intent to exclude that category of service from the Act's regulatory ambit. This intent was further confirmed by the Hon'ble Union Minister Ashwini Vaishnav, who stated that ***"OTT has been regulated by the IT Act of 2000 and continues to be regulated by the IT Act. There is no coverage of OTT in the new telecom bill passed by the Parliament."***<sup>1</sup> As such, it is not permissible to read back OTT services into the Telecommunications Act as it would result in bypassing of parliamentary intent and exercising powers that the legislature specifically chose not to confer.
6. It is also pertinent to note that the Government (MeitY and MIB) seeks to regulate online content comprehensively under the Information Technology Act, 2000 (IT Act) and the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021 (IT Rules, 2021), which also shows that there is no 'regulatory vacuum' as wrongly assumed in the Consultation Paper and by few Responders in their comments as justification for new sectoral intervention. Nevertheless, a "regulatory vacuum" would by itself not justify force fitting of ALTD / FAST services under the Telecommunications Act or bringing them under TRAI's jurisdiction.
7. It is respectfully submitted that the Telecommunications Act is designed to regulate the carrier of a message or content, and not the author or publisher of the message, or content. To illustrate – when a person sends an email or streams a movie, the telecommunication service being used is the underlying network access being provided by their ISP / TSP (i.e., the carrier), and that the email or the movie itself, delivered via an app, is a content product. To regulate the app used to send email or make a movie available under the Telecommunications Act would be akin to regulating a book publisher under the laws governing the truck company that delivers the books.
8. ALTD / FAST services operate at the software/application layer. Unlike traditional DPOs, they do not own, manage, or control physical carriage infrastructure, spectrum, or satellite transponders. Imposing infrastructure-centric obligations (entry fees, net worth, bank guarantees) on digital applications will create insurmountable entry and continuity barriers for all stakeholders especially startups and digital entrepreneurs. Further, prescriptive regulations on UI/UX, EPG design, and search algorithms will stifle the commercial agility inherent to such services, which ought not be interfered with.
9. The mere fact that audio-visual content may be disseminated through multiple technological mediums cannot result in a conclusion that all such modes of exploitation must necessarily be subjected to identical authorization and/or

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<sup>1</sup> <https://economictimes.indiatimes.com/industry/telecom/telecom-news/ott-not-under-ambit-of-telecom-bill-ashwini-vaishnav/articleshow/106224226.cms>

regulatory framework including pricing structures, interconnection frameworks, tariff obligations or economic regulation. The mode of dissemination including technological architecture, market ecosystem, audience behavior, competitive conditions and underlying economic model may differ substantially, which cannot be lost sight of. Copyright law itself recognizes that the owner of an intellectual property right is entitled to commercially exploit different facets and windows of dissemination of the same work in distinct manners and through distinct licensing and commercial arrangements.

10. Û It is respectfully submitted that dissemination and commercial exploitation of audiovisual works is fundamentally governed by the Copyright Act, 1957, which recognizes copyright as a bundle of distinct and valuable proprietary rights vesting in the owner or lawful exploiter of the work. The statutory framework itself contemplates that copyrighted audiovisual works may be commercially exploited through multiple distinct modes and windows of dissemination including theatrical exhibition, satellite broadcasting, cable distribution, DTH dissemination, IPTV systems, OTT streaming, digital dissemination and other evolving technological mediums. The copyright law recognizes that the owner of the work is entitled to commercially exploit different dissemination windows through distinct technological, commercial and licensing arrangements depending upon the nature of the platform, market conditions and intended audience.

#### **Summary of Responders' comments and our counter-comments thereto.**

##### **Jurisdictional Conflict (Telecommunications Act & TRAI Act vs. IT Act).**

11. Û Responders seeking an authorization and regulatory framework for ALTD / FAST services have themselves conceded that these platforms are covered under the IT Act and IT Rules 2021 framed thereunder. This admission highlights a fundamental contradiction i.e., demanding that ALTD / FAST services be brought under TRAI's broadcasting framework is admittedly inconsistent with and *ultra vires* both the Telecommunications Act and the TRAI Act. It may be noted that this is also the consistent position of the Government (MeitY and MIB) that transmission of content over the Internet is covered under the Information Technology Act.

##### **Stifling Innovation and Anti-Competitive Structures.**

12. Û On one hand, Responders have acknowledged that ALTD / FAST services are of different types and that businesses have defined their services differently yet, on the other hand, they seek to impose an authorization and regulatory framework (with a mandatory MRP / DRP-based business model) on all entities irrespective of difference in nature of services. This attempt to shoehorn diverse digital models into the legacy mold of Distribution Platform Operators (DPOs) is impermissible. Further, in their zeal to bring ALTD / FAST services under an onerous and restrictive regulatory

net, certain Responders have proposed measures that would effectively dismantle existing models to suit DPOs. For instance, Responders have *inter-alia* proposed a steep entry fee for ALTD / FAST services, which is economically perverse, as it penalizes technological efficiency solely to protect legacy business models. Similarly, some have proposed that interconnection regulations, tariff orders, Quality of Service (QoS) regulations, and register of interconnection agreements regulations should be applied to ALTD / FAST services. These are designed for traditional DPO offerings, and DPOs are fully aware that doing so would drive digital players out of the market, ultimately creating a benefit solely for traditional DPOs.

#### **Regulatory Parity / Level Playing Field.**

13. Û Few Responders have commented incorrectly that ALTD / FAST services should be subject to the same rules to prevent the decline of the DTH / Cable industry. In this regard, it is submitted that ALTD / FAST platforms are not comparable. Further, DPOs benefit from regulatory entitlements like spectrum access and right of way, whereas ALTD / FAST services operate without such privileges on the volatile open internet. Assuming for the sake of argument and without admitting the same, if DPOs face regulatory burdens, then the solution is regulatory forbearance for the legacy sector, and not the expansion of regulatory framework to innovative digital services.

#### **MIB Guidelines.**

14. Û It has been commented by few Responders that the carriage of linear channels on ALTD / FAST platforms violates certain provisions of the Uplinking and Downlinking Guidelines. In this regard, it is *inter-alia* submitted that Uplinking and Downlinking Guidelines do not apply to ALTD / FAST services. ALTD / FAST services are Internet-based and do not involve satellite signal reception or transmission.

#### **Tariff Parity & MRP Uniformity.**

15. Û Few Responders have sought TRAI's regulatory (including tariff) framework for ALTD / FAST services. In this regard, it is submitted that this argument is technologically and economically flawed. Traditional DPOs operate on closed, managed networks using exclusive spectrum / right of way, which is different from ALTD / FAST services that operate on the open, Internet, subject to high volatility, massive competition, and complete dependence on third-party ISPs / TSPs for delivery quality. Therefore, there are fundamental structural differences in the "playing fields" occupied by ALTD / FAST platforms and DPOs. Mandating regulatory / tariff structure applicable to DPOs for ALTD / FAST services would destroy the unique unit economics of Internet streaming and impede the ability of relevant stakeholders to monetize content differently across mediums. Forcing legacy regulatory framework on digital content to protect legacy DPO models is fundamentally anti-innovation and anti-consumer. Further, content is

subject matter of the Copyright Act and cannot be said to be covered under the Telecommunications Act or TRAI Act.

**Accountability.**

16. ð Few Responders have commented that App providers should be the primary stakeholder responsible for authorization and certification of content. Few Responders have also commented that unregulated ALTD / FAST services pose security threats and lack effective consumer grievance mechanisms. Regarding content on ALTD / FAST services, the onus of compliance regarding content legality rests with the content publishers under the law of the land (e.g., laws against hate speech, defamation, etc.). ALTD / FAST platforms, operating in a free market, voluntarily curate safe, high-quality content to attract advertisers and/or viewers.
17. ð Imposing rigid mechanisms is unnecessary and creates an environment of prior restraint and censorship. Further, it is reiterated that content cannot be said to be covered under the Telecommunications Act or TRAI Act. It is submitted that *inter-alia* for reasons stated herein there is no need to prescribe any specific terms and conditions for authorization and/or TRAI's regulatory framework. Importantly, the Government's position (MeitY and MIB) is that transmission of content online is regulated under IT Act and the IT Rules, 2021. In this regard, it may be noted that online content publishers (including news publishers) furnish their details to MIB, pursuant to the said Rules under the said Act. It is also important to note that ALTD providers do not control the user's internet bandwidth (the ISP does), making DPO-style Quality of Service (QoS) mandates redundant. The Internet economy *inter-alia* features highly effective, immediate grievance redressal through app store reviews, social media, and in-app support ticketing, which are far more responsive than traditional DPO style QoS framework.

**Contextualizing the ecosystem and expanding assessment of all relevant factors.**

18. ð While content production, acquisition, licensing, and initial app development are the most visible expenses, the operational costs that are often referred to as the 'silent taxes' of streaming are unique, substantial and critical to ALTD / FAST services. These costs also reflect a fundamentally distinct distribution methodology compared to legacy DPO platforms making them incomparable. It is submitted that the issues in the present consultation paper ought not be discussed or decided in isolation. Suggesting authorization and regulatory framework basis a single aspect (i.e., the output of ALTD / FAST services) without evaluating and distinguishing technical and economic aspects would be unfair to say the least. These distinctions further demonstrate why, from both a technological and economic standpoint, ALTD / FAST services cannot be mapped onto the existing DPO licensing and regulatory framework (including interconnection regulations, tariff orders, QoS regulations,

etc.). ALTD / FAST platforms operate in an entirely unique and different environment when compared with DPOs. This is evident from the following:

(a) ð **Media Delivery & Infrastructure (e.g., CDNs, Cloud Services, Video Players)**. These are ALTD / FAST platform's technical backbone and are predominantly usage-based. They include:

(i) ð **Content Delivery Networks (CDNs)**. Responsible for caching video content in edge servers close to the user to minimize latency and prevent buffering. These costs are typically billed on a consumption basis, priced either per gigabyte (GB) of data transferred or per minute of video streamed.

(ii) ð **Cloud Service Providers**. This encompasses compute for transcoding (processing a single master video file into multiple resolutions and bitrates for adaptive streaming), storage for securely housing massive raw video libraries and localized assets, and egress to transfer data out of cloud providers ecosystem to the CDN or directly to the end-user.

(iii) ð **Video Players**. The embedded video player UI is usually powered by third-party Software Development Kits (SDKs), which are usually licensed basis volume of active users or total video plays.

(b) ð **Advertising Technology (For Ad-based & Hybrid Models)**. If a platform utilizes an Ad-based or hybrid model, then it engages with service providers for ad-tech services. These include:

(i) ð **Server-Side Ad Insertion (SSAI)**. To ensure seamless transitions between content and commercials, ads are dynamically stitched into the video stream at the server level.

(ii) ð **Supply-Side Platforms (SSPs)**. ALTD / FAST platforms may leverage SSPs to programmatically auction their ad inventory.

(c) ð **Analytics & Growth Ecosystem**. ALTD / FAST platforms engage vendors to analyze user behavior and monitor application health. These include:

(i) ð **Quality of Experience (QoE) Analytics**. These tools track technical telemetry such as, buffering rates, playback start failures, and mid-stream resolution drops, and generate alerts regarding network issues.

(ii) ð **Customer Data & Marketing Platforms**. These cover, *inter alia*, attribution and Customer Relationship Management (CRM). They typically track subscriber acquisition sources (e.g., specific social

media ad campaigns) and CRM tools deployed to re-engage dormant users via push notifications and emails, etc.

(d) Û **Distribution & Monetization entities.** These entities are wedged between the ALTD / FAST platform and the consumer, facilitating access and processing payments (where applicable). ALTD / FAST platforms engage these entities to maintain their application listings across different digital ecosystems. For pay services, operating systems and app stores may levy commission / fees on user subscriptions and in-app purchases made through their native billing systems, etc. Further, pay services are subject to transaction fees from payment gateways and processors, alongside subscription and billing management software fees.

19. Û It is submitted that for a holistic exercise to be conducted, it is imperative to analyze all aspects and issues relating to ALTD / FAST services fundamentally including those mentioned above and the following:

(a) Û In the digital space, the choice to reach an end-user directly or through an intermediary is a commercial and technical decision made by content providers. Forcing a DPO- style intermediary layer *inter-alia* creates artificial barriers. The regulator *inter-alia* ought to consider whether the private commercial interests of intermediary (DPO) platforms are being erroneously conflated with the ‘public interest’. Further, whether the ‘gatekeeper’ model of legacy DPOs is compatible with the decentralized nature of the open Internet where ALTD / FAST services operate.

(b) Û DPOs are the primary stakeholders poised to benefit from the introduction of an authorization and regulatory framework for ALTD/FAST services. There is a significant risk that such a framework would be used to force ALTD / FAST services into a DPO-controlled ecosystem.

(c) Û As highlighted above, unlike the linear satellite-to-DPO model, ALTD / FAST services operate within a complex ecosystem of technology and business realities (CDNs, Cloud Service Providers, Ad-Tech stacks, and OS manufacturers, etc.,). Attempting to interpolate ALTD / FAST services into a DPO-style licensing and regulatory model ignores these existing aspects of streaming and threatens to stifle the viability of ALTD / FAST services.

#### **Misapplication of International Precedents.**

20. Û Few comments supporting the authorization / regulatory framework for ALTD / FAST services have relied heavily on international examples cited in the Consultation Paper and have also annexed documents from Canada or the UK without context. Citing foreign laws that operate under different constitutional and statutory foundations is

a flawed justification for expanding the scope of the Telecommunications Act or the TRAI Act. Even otherwise, in the Indian context, the Government's position (MeitY and MIB) is clear that OTT services fall under the IT Act and IT Rules. This stance has also been echoed by MIB, TRAI, and TDSAT on various occasions.

#### **Jurisdiction over Foreign Entities.**

21. Û Few Responders have challenged the foreign jurisdiction clauses of global platforms overlooking the existing domestic safeguards. Under the IT Rules, 2021, entities required to appoint a grievance officer based in India / provide grievance redressal mechanism. The demand for further jurisdictional oversight demonstrates a lack of appreciation for the existing regulatory framework that envisages local accountability. In this regard, it is reiterated that the Government (MeitY and MIB) seeks to regulate online content comprehensively under the IT Act and IT Rules, 2021.

#### **Crossholding restrictions.**

22. Û The demand by few Responders for stringent crossholding restrictions (as well as authorization and regulatory framework) for ALTD / FAST services is self-serving and an attempt to weaponize regulation to penalize digital innovation. They are attempting to port scarcity-era restrictions into an era of digital abundance. It is for this reason, even in case of legacy DPOs, cross holding restrictions were applicable only in case of DTH and HITS, and not other means. Further, unlike DTH and HITS platforms, which rely on managed, proprietary infrastructure and spectrum, the open Internet environment is characterized by an absence of bottleneck gatekeepers. ALTD / FAST services operate as over-the-top Internet applications where content reaches consumers via unmanaged public networks. Consequently, imposing *ex-ante* crossholding caps ignores the fundamental market reality that there is no barrier to entry for digital platforms, and the contestability of the market is at its peak. Theoretical competition concerns ought not result in preemptive and restrictive authorization and regulatory framework since that would stifle a nascent sector. In an ecosystem where a consumer can switch between different digital services, the traditional DPO type ability to "block" or "gatekeep" content is non-existent. To restrict entities from owning ALTD / FAST platforms, would be to ignore global trends and artificially segment a unified digital market. Regulatory intervention should be a tool of last resort, reserved only for proven market failures. In the present case, the only failure is the refusal of legacy models to allow an inherently open and contestable internet economy.

#### **Regulatory Framework for ALTD / FAST Services.**

23. Û The demand of certain Responders to extend DPO-style regulatory framework (comprising of interconnection regulations, reference interconnection offers / agreements (RIO), tariff orders, etc.) on ALTD / FAST services is *inter-alia*

fundamentally flawed. The traditional regulatory framework was designed for managed addressable systems of DPOs where physical infrastructure created a “gatekeeper” bottleneck for reasons such as, proprietary set-top-boxes / low interoperability, last mile monopoly, etc. In contrast, ALTD / FAST services operate over the open Internet, which is inherently non-bottlenecked. Imposing traditional broadcasting distribution-style rules on ALTD / FAST platforms is an attempt to solve a non-existent problem.

24. Û In fact instead of providing any solution such measures could create problems since ALTD / FAST models rely on proprietary tech stacks for service delivery, server-side ad insertion, etc. Further, forced interconnection would mandate sharing content with competitors who could jeopardize revenue thereby creating value leakage where the content owner bears the cost of content while the third-party platform with whom content is shared cannibalizes the ad revenue.

**Conclusion.**

25. Û The comments of certain Responders demanding for regulation of ALTD / FAST services akin to DPOs is a protectionist attempt to safeguard legacy business models of DPOs at the cost of ALTD/ FAST services and consumers. We strongly urge TRAI to uphold the principles of ‘Digital India’ and ‘Ease of Doing Business’ by maintaining the current status of application-layer services, while focusing on identifying and removing restrictive legacy obligations from traditional broadcasting distribution ecosystem.

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