

February 7, 2022

To,
Anil Kumar Bhardwaj,
Advisor (B&CS)-II,
Telecom Regulatory Authority of India.

Subject: Comments/Observations on behalf of DEN Networks Limited on the Consultation Paper on "Ease of Doing Business in Telecom and Broadcasting Sector" dated 08.12.2021 ("CP").

Dear Sir,

We would like to express our gratitude for providing us with the opportunity to share our observations on the Consultation Paper.

At the outset, it is noted that the comments in this paper are premised on our understanding of the broadcasting and cable TV industry practices, its gradual growth over the decade and the current legislative structure with respect to regulation of the cable TV industry and the ancillary markets. The comments herein are proposed with the intent to protect the interest of industry players as well as the Consumers.

The objective of the Cable Television Networks (Regulation) Act, 1995 '*hereinafter referred to as 'the Cable TV Act'*' is to regulate the operation of cable television networks in the country and rightly so, over the years the cable TV industry has evolved multifold with the incoming of diverse market players including DTH, HITS and IPTV and the consumers have been the receiving end of the benefits that have ensued from the increased competition in the cable TV industry. At this juncture, it is pertinent to observe that the Telecommunication and broadcasting sectors have emerged as key drivers of economic and social development and, hence, have made the country a favorite business destination amongst investors. These sectors have immense potential to move on the higher trajectory of growth if the business environment could be made more attractive by simplifying the existing provisions of policy frameworks in various ministries and departments involved in issuing permission, registrations, and licenses to the players of the telecommunication and broadcasting sector and its manufacturing. We take this opportunity to highlight that lately, the Ministry of Information and Broadcasting (MIB) has, vide its notification dated 29.12.2021, permitted the sharing of infrastructure by and amongst the multi-system operators (MSOs) basis the recommendations forwarded by the Authority on 'Sharing of Infrastructure in Television, Broadcasting and Distribution Sector' dated 29.03.2017. The said notification will undisputedly encourage and provide a sustainable environment to smaller MSOs that are deterred from remaining operational on account of huge investments towards the distribution infrastructure.

Despite the myriad of technological advancements concerning business processes and the measures taken by the Government through various economic reforms such as

Make in India, Smart City Mission, Skill India Mission, Digital India, the participation in the telecommunication and broadcasting sector remains low. Therefore, there is a need to review current practices in telecom and broadcasting sector for simplifying business processing, and operation practices for making it more efficient and productive. The same can be observed in case of Cable TV Industry and more so in case of MSOs. It is pertinent to note that presently the broadcasting sector is laced with fierce competition amongst all the aforesaid market players and the existence of any form of monopoly by one single player is unlikely. The services offered by the MSOs have perfect substitutes in the market and all such MSOs are already offering various competitive schemes to the subscribers due to fierce competition in the market and at the same time adhering to a strict compliance and regulatory regime. Further, the present legal regime regulating the broadcasting and cable TV sector inclusive of the Cable TV Act and along with the regulations provide sufficient safeguard to the consumers as well as the market players ensuring that the MPOs are heavily regulated and are being micro managed in terms of the regulatory framework making it difficult for market players to continue in the business of Cable TV industry or even enter the market as a new player. Hence, the comments are submitted under this response with the view that the present regime might be reviewed in the light of difficulties in conducting business in the Cable TV industry.

The Authority would be aware that almost all multi-system operators (MSOs) that are indulged in providing broadband services through their subsidiaries/ affiliates have a valid Internet Service Provider (ISP) license. In addition, large number of local cable operators (LCOs) have laid down their vast network for providing last mile connectivity till the premises of the subscribers. This evidently establishes that the MSOs have formidable capacity to reach each household in the country by utilizing the last mile connectivity of the fiber cable and network infrastructure of the LCOs. Therefore, taking into consideration that the cable television networks have formidable reach to cater to the entertainment and information needs as well as growing demand of broadband services, it is imperative that the distribution networks of MSOs and LCOs be recognized and granted ‘infrastructure status’. We seek to bring to the kind attention of the Authority that grant of ‘infrastructure status’ will lead to the multiple benefits including capital borrowing will become cheaper for upgrading technologies and optical fiber network, considerable reductions in interest rates for long term borrowings, ease in getting higher external borrowing, tax holiday as per 80-1A of Income Tax act, Exemption from paying custom duties on Optical Line Terminal (OLTs), Optical Network Units (ONUs), Network Operations Centre (NOC) infrastructure, that are used for providing broadband services, Set Top Boxes (STBs) and headend infrastructure that are used for provisioning of cable television services. Impetus to indigenous manufacturing of OLTs, ONUs and NOC related infrastructure ensuring that the indigenous products are available at comparable prices. It is therefore, suggested that grant of infrastructure status to the broadcasting and cable distribution sector will not only help in the proliferation of the broadband and cable television services, but will also aid ease of business

VIEWS OF DEN NETWORKS LIMITED TO THE CONSULTATION PAPER (“CP”)
DATED 08.12.2021 OF TELECOM REGULATORY AUTHORITY OF INDIA
PERTAINING TO THE “EASE OF DOING BUSINESS IN TELECOM AND
BROADCASTING SECTOR”.

Issues for consultation:

Q1. Whether the present system of licenses/permissions/registrations mentioned in para no. 2.40 or any other permissions granted by MIB, requires improvement in any respect from the point of view of Ease of Doing Business (EoDB)? If yes, what steps are required to be taken in terms of:

- a. Simple, online and well-defined processes
- b. Simple application format with a need to review of archaic fields, information, and online submission of documents if any
- c. Precise and well-documented timelines along with the possibility of deemed approval
- d. Well-defined and time bound query system in place
- e. Seamless integration and approvals across various ministries/departments with the end-to-end online system
- f. Procedure, timelines and online system of notice/appeal for rejection/cancellation of license/permission/registration

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

Answer: In response to the above question, we would like to reiterate our response in the introductory paragraphs wherein it is observed that the industry structure has changed considerably in the past few years resulting in micro regulation of MSOs. Cable TV is a popular platform for the distribution of TV broadcast signals to the end consumers. MSO receives programming service from broadcasters and re-transmits the same either directly in the form of primary subscribers or through one or more local cable operators as secondary subscribers. The signal is provided by a local cable operator (LCO) to the consumer through a cable laid up to the TV set. For any applicant who intends to provide cable television network services with DAS, it is mandatory for them to register with MIB. The applicant company is required to take necessary permissions from MIB. We would like to draw the kind attention of the Authority that although Ministry of Information and Broadcasting (MIB) is playing a pivotal role of

nodal ministry for issuance of licenses, permission, and registration, as applicable, for the Broadcasting and Cable Sector, there is a dire requirement to change and channelize the existing processes. It may be noted that the current processes need to be improved for making the process for grant of permissions more streamlined. We state that although MIB has developed the portal of 'BroadcastSeva' with URL <http://broadcastseva.gov.in/> for submitting applications online by the stakeholders and applicants for grant of various permissions, registrations, and licenses issued by MIB for broadcast-related activities, however, the applicant is thereafter required to send the physical copy of the application along with the documents to MIB within fifteen (15) days of online submission of the application. Following suggestions are being tendered to simplify the process of grant of applicable license or permissions:

a. Simple, online and well-defined processes

It is therefore, suggested that after filling of application online on BroadcastSeva, the further processes of submission of physical documents, should be done away with. The process involving various other Ministries such as Ministry of Home Affairs (MHA) for Security Clearances is also a time consuming process by virtue of which the application is forwarded for getting the requisite clearance. It is suggested that the procedure of security clearances shall be simplified and rationalized in the context of ease of doing business. It may be noted that presently, ministries like Ministry of Home Affairs (MHA) do not have a timeline for response. This results in delays and hectic follow-up(s) by the applicant who is required to run from pillar to post for getting all the clearances for obtaining the license or registrations or permission, as applicable. Therefore, a strict timeline should be prescribed for such clearance and in the event, such clearance is not received within the aforesaid prescribed timeline, the same shall be construed as deemed approval towards security clearances and the applicant shall be granted the final license for the provisioning and re-transmission of cable television services. It is further suggested that in the event any applicant is denied the permission of security clearances on account of some past antecedents of any of the directors/promoters, in such case, any entity that has such directors or the 'Related Party'/ 'Relative' (*as defined under the Companies Act, 2013*) of such directors/promoters, on its Board; should be denied permission from the Ministry and shall not be allowed to engage in the business of cable television and distribution services.

In the context of Ease of Doing Business (EoDB), it is further suggested that MIB may design a portal/process alike to the National Single Window System (NSWS) of Department for Promotion of Industry and Internal Trade (DPIIT) which provides the investors with information on pre-operations approvals required by any investor, both foreign and domestic. Such a portal would considerably reduce the time and effort of the applicant as well as the concerned Ministry for processing the application of the applicant for obtaining the license or registration or permission, as applicable, for enabling the conduct and start of business. Once an applicant makes the application for the said license or registration or permission, as applicable, via online mode, with all the relevant documents; in such case, further processing of the application should

be routed within the concerned Ministries online and should be paperless to a large extent. In the event, there is any further requirement to be fulfilled by the applicant the same should be communicated to the applicant through the portal, via e-mail or on registered mobile number through text message. The applicant would then comply with the additional requirements, online itself. Further, the applicant should be able to track the status of its application till the final stage. This single window would reduce the timeline of the applicant in getting the license or registration or permission, as applicable, while also giving the applicant the real-time status of its application. MIB should look into the aspect of reducing the timeline prescribing the same at each stage of the online process. If in case any Ministry, for any reason whatsoever, is not able to grant the license or registration or permission within the timelines prescribed, even under the instances where the application is completed in all respect, then there should be a provision of deemed approval and the Applicant should be issued final registration or license for the purpose of provisioning of cable television and distribution services.

Further, online query and resolution of the query raised by the applicant should also be designed by introduction of a Chatbot mechanism or Virtual Assistant. MIB is in the process of deploying a website "Digital India MIB" with the URL <https://digitalindiamib.com>, which is under construction. The aforesaid suggestions may be taken into account while designing the platform for online single window submission of application by the stakeholders for securing license/registration/permission.

However, the process for obtaining the license by MSOs and LCOs remain cumbersome which requires a set of online and offline procedure with no specific timeframe. Moreover, the MSO registration is valid only for 10 years requiring the MSO to engage in the same cumbersome procedure all over again for renewal of license resulting in loss of business as well as resources. On receiving the registration, the MSOs establish their headend in their respective service areas for receiving signals from broadcasters and distributing these signals to cable TV operators who had commercial agreements with MSOs. Whereas, as mentioned in the introductory paragraphs, the MSOs conduct their business in connivance with LCOs and till date there is no online mechanism for registration of LCOs. The registering Authority for cable operators is the head postmaster of a head post office of the area within whose territorial jurisdiction the office of the cable operator is situated. The manual process of LCO registration and renewal of registration is quite cumbersome. The registration of LCOs is provided by the Head post office in the area where they intend to provide the service. It has inherent inefficiency, and it causes delays in the issuance of registration and renewal of registration to the cable operators. Also, there is no centralized repository or database of LCOs is available with MIB as of now. Therefore, it is submitted that there is a need for establishing and redefining the licensing regime for MSOs and LCOs in the cable TV industry.

b. Simple application format with a need to review of archaic fields, information, and online submission of documents if any:

It is suggested to the Authority in the context of provisioning Ease of Doing Business is that in the event any duly registered MSO which is a company duly registered under the Companies Act, 1956/2013, undergoes a name change after the grant of due registration and license from MIB, a provision should be made in terms of which such license is duly and automatically reflected in the name of the new entity after providing due intimation and submission of 'Name Change Certificate' issued by the Registrar of Companies, to the Ministry of Information and Broadcasting.

c. Grant of license to the LCOs vide a centralized web-portal:

It is suggested to the Authority that the current process for registration of Local Cable Operator (LCO) needs to be reviewed. LCOs are obligated to use offline mode for submission of application form to its respective head post office for getting postal license certificate. All the connected activities i.e. mode of depositing fee, intimation of status of application etc. are offline. There are no actual verification facilities for these postal certificates. The Authority would acknowledge and agree that on account of existence of varied set of rules for obtaining postal registration across various districts and states in the country, the process of obtaining registration becomes cumbersome for the LCOs who intend to operationalize their business. Hence, with a view to streamline, bring complete uniformity in the registration process of such LCOs across the entire country and to ensure that such LCOs have ease in provisioning their services, we suggest that a central registering authority with centralized web portal (Single Window System) (SWS) be notified under the Cable Television Networks (CTN) Act for hassle-free registration of such LCOs. It is suggested that such LCOs may be permitted to register themselves with MIB using an automated platform with Aadhar verification and an undertaking be obtained from the LCO to comply with all relevant provisions of the CTN Act. We would like to suggest that validity of the license certificate issued to LCOs should be enhanced from one year to ten years.

d. Simplified process of GST Registration of the LCOs:

We have already established vide numerous representations to the Authority that all liabilities with respect to GST and the past dues of Entertainment Tax are to be borne by the LCOs as the cable television network is controlled, managed and serviced by the LCO and all payment charges towards the same are collected by the LCOs from the subscribers. Hence under all instances, these liabilities should be discharged by the LCOs. However, the Authority would be aware that in most circumstances, the LCOs are either not required to collect GST on account of non-applicability or are not able to undergo the complex process of GST registration and hence are left unregistered. Therefore, it is suggested that the GST registration process be simplified for such LCOs and a provision should be made on the web-based centralized portal vide which the LCOs, while making an application for LCO registration can also be simultaneously registered under the GST law and a GST number be assigned to such LCOs along with the license number. This will simplify the GST registration process for the LCOs, thereby

ensuring that the applicable authorities are able to collect GST from LCOs that fall within the purview of taxation slab, without any hassle.

e. Removal of taxes that are levied by local/municipal bodies:

We also take this opportunity to highlight and put to the Authority that although after the implementation of Goods and Services Tax (GST) in 2017, all form of taxes including entertainment tax as well as other local body taxes were to be subsumed under GST; however, even till date, a parallel tax in the name of 'municipality tax' is being levied by local/ municipal bodies on cable television services in the union territory of Puducherry, to the tune of Rs.7/- per subscriber. It is stated that any instance of levy of such additional taxes by any government authority or local body defeats the objective of GST that aims at bringing uniformity and disrupts the tax environment. We therefore, urge to the Authority that for facilitating ease of business, all such additional local body taxes should be done away with, to avoid subsistence of any parallel taxation scenario.

f. Expedited redressal of issues in relation to Right of Way (RoW):

While the Authority, vide its Recommendations dated 31.08.2021, has duly acknowledged and recommended setting up of a single window clearance mechanism for obtaining the Right of Way (RoW) permissions, however the timeline that has been prescribed for the same, is that of a year. It is therefore suggested, that such process of developing a single window clearance and uniform prices should be expedited for facilitating ease of business.

The Authority may also take note that ease of doing business should not only be restricted to the processes easing out the grant of permissions but also enabling business friendly laws/regulations and creating a level playing field for each stake holder of broadcasting and cable distribution eco-system. We state that the Cable and Broadcasting sector is a heavily regulated sector with great disparities in approaches, especially for the Distribution Platform Operators (DPOs). While other industries have been granted the liberty to evolve by its experiences, Broadcasting and Cable Sector is still viewed as an immature sector in spite of its long evolving past. We are therefore, of the opinion that the cable television sector should also be left to the market forces for its evolution as the unscientific regulatory regime guarding the cable television sector is curbing the growth of the sector.

Q2. Whether the present system of licenses/permissions/registrations mentioned in para no. 3.81 or any other permissions granted by DoT, requires improvement in any respect from the point of view of Ease of Doing Business (EoDB)? If yes, what steps are required to be taken in terms of:

a. Simple, online and well-defined processes

b. Simple application format with a need to review of archaic fields, information, and online submission of documents if any

- c. Precise and well-documented timelines along with the possibility of deemed approval**
- d. Well-defined and time bound query system in place**
- e. Seamless integration and approvals across various ministries/departments with the end-to-end online system**
- f. Procedure, timelines and online system of notice/appeal for rejection/cancellation of license/permission/registration**

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

Answer: In response to this question, it is suggested that the Department of Telecommunications (DoT) requires some modifications in existing system for grant of license, registration, permission, as applicable, in the light of ease of doing business and for the welfare of stakeholders, single unified portal as have been suggested under response to Question no. 1 could be implemented by designing a portal with mechanism to handle the application at all stages of its clearance till its final approval stage including the deemed approval aspect. It is further suggested that for provisioning of ease of business, it is the need of the hour that the levy of license fee on the Internet Service Providers which is payable on the Adjusted Gross Revenue (AGR) of their businesses, should be completely scrapped. The Authority would acknowledge that the ISPs are placing their own infrastructure in their own private capacity and at their own costs and expenses, for dissemination of broadband services and are not using any central/state/national resources. Moreover, for enhancing the mechanism of provisioning of broadband services, the government has also been executing public-private partnerships for laying fiber. Therefore, subjecting ISPs towards the payment of license fee in absence of any involvement of national /state owned resources or infrastructure, does not appear as a viable proposition and hence should be forthwith done away for proliferating the growth of broadband and internet connectivity services.

The Authority would agree and acknowledge that the networks of MSOs and the LCOs have formidable capacity to provision broadband and internet connectivity services on account of the last mile connectivity. Recently, basis the recommendation of Ministry of Information and Broadcasting, DoT has finally adopted corrective measures and has issued an amendment in the definition of AGR, directing exclusion of revenues of non-licensed activities in the computation of AGR, thereby excluding revenues from cable television business from the computation of AGR on prospective basis, i.e. with effect from 1.10.2021. While this reform will encourage many MSOs to develop infrastructure for promoting and provisioning of broadband services, however, the apprehension regarding the retrospective license fee dues, still continue to subsist amongst the MSOs and several litigations still stand pending before various forums regarding the same. We suggest that the Authority may co-ordinate with DoT for issuance of a similar

clarification note for the past dues as well on the same ground, i.e. neither prospective or retrospective revenues generated under any separate license issued by the Ministry should not be considered for the purpose of computation of AGR and the levy of license fees. The Authority would acknowledge that withdrawal of the alleged demands that are subsisting in relation to retrospective dues as well as the same will enable the MSOs and the cable operators to channel their available resources towards further proliferation and growth of broadband services.

It is suggested that the Authority would be aware that for providing quality broadband services, the ISPs are required to make huge investments in terms of backend support infrastructure like Network Operations Centre (NOC), engineers, technicians, routing functionalities, security infrastructure, and all applicable resources. Therefore, it is suggested that grant of license to any player should be subjected to evaluation of capability to deploy effective resources. Absence of such criteria may create numerous non-serious players without adequate capacity of provisioning quality broadband services, and may expose consumers to security risks. Hence, we suggest that a net-worth criteria should be adopted and identified with respect to different license categories 'A', 'B' and 'C'. The Authority may also take note that while working on the ease of doing business modules the policy of Atmanirbhar Bharat i.e. Self-Reliant India and Make in India should also be kept in view i.e. foreign players should not be allowed at the cost of Indian Companies.

Q3. What are the issues being faced in the existing processes of granting registration to IP-I providers? Identify and suggest measures to address the same.

Answer: In response to this question, it is stated that the process for grant of registration for Infrastructure Providers Category-I includes submission of an offline application for registration in the format prescribed by DoT and does not prescribe any online mechanism for registration process. Moreover, the applicant company is responsible for making its own arrangement for Right of Way. This often results in conflict of interest due to lack of any regulatory support or guidelines for the same. Hence, an online mechanism should be developed making the process accessible to stakeholders with proper guidelines for new entrants in the market.

Q4. What measures should be taken to promote small and medium telecom infrastructure providers with ownership of the network created by them for maintaining the quality of services?

Answers: In response to this question, it is submitted that a considerable fraction of the small and medium infrastructure service providers are oblivious to industry practices and the regular modifications in the regulatory framework along with the technological advancements. They are unaware of the government schemes and initiatives that may provide the necessary support to them for the operation of their business efficiently. So, it is pertinent that the authorities conduct regular workshops and seminars for such

stakeholders with the object of educating them about the dynamic industry practices and the regulatory framework applicable in the relevant industry. This would help them in ensuring better quality of service along with protection of data in the future.

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

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

And

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

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

Provide your suggestions for each activity separately.

Answer: The present question does not warrant any response from us.

Q7. Please provide your response with proper justification to improve the present system of EMF radiation compliance in terms of: a. Relevance of EMF radiation audit and its impact for quick roll out of the network b. Measures to safeguard public interest and building confidence in public against propaganda of hazardous EMF radiations in field c. Issues being faced in the existing processes related to the self-certification, audit and penalty scheme of EMF radiation compliance process on Tarang Sanchar portal.

And

Q8. What mechanism do you think should be followed in DoT to facilitate investors in exploring possibilities of business opportunities in the field of telecom? Provide your comments with justifications. Also, provide best international practices and adoption of new technologies for various processes and suggested process flow that could be adopted for further facilitating ease of doing business in India.

Answer: The present question does not warrant any response from us.

Q9. Whether the present system of licenses/clearances/certificates mentioned in para no. 3.94 or any other permissions granted by WPC requires improvement in

any respect from the point of view of Ease of Doing Business (EoDB)? If yes, what steps are required to be taken in terms of:

- a. Simple, online and well-defined processes**
- b. Simple application format with a need to review of archaic fields, information, and online submission of documents if any**
- c. Precise and well-documented timelines along with the possibility of deemed approval**
- d. Well-defined and time bound query system in place**
- e. Seamless integration and approvals across various ministries/departments with the end-to-end online system**
- f. Procedure, timelines and online system of notice/appeal for rejection/cancellation of license/clearance/certificate**

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

Answer: The Wireless Planning and Coordination 'WPC' wing of DoT is the nodal authority for planning, coordination, authorization, and management of the radio frequency spectrum in the country. It is responsible for regulating the use and application of radio and wireless devices imported or manufactured in India, besides spectrum allocation and management. WPC provides frequency allocation and Wireless Operating License (WOL) to the service providers of telecom and broadcasting. In view of the Government's policy on ease of doing business and making the licensing process transparent, various licenses issued by the WPC wing had been made online through the 'Saral Sanchar' portal under Phase-I. An online licensing facility for the various modules issued by regional licensing offices (RLO) has also been launched on the 'Saral Sanchar' portal. This has made the licensing process easy however, it is only efficient if all the stakeholders are aware of such services which is not the case in India. Hence, the authorities should ensure that such initiatives are widely publicized through various mediums so as to be within the reach of all the stakeholders and not just the dominant market players.

Q10. Whether the present system of permission/approval mentioned in para no. 3.101 or any other permissions granted by NOCC requires improvement in any respect from the point of view of Ease of Doing Business (EoDB)? If yes, what steps are required to be taken in terms of:

- a. Simple, online and well-defined processes**
- b. Simple application format with a need to review of archaic fields, information, and online submission of documents if any**

- c. Precise and well-documented timelines along with the possibility of deemed approval
- d. Well-defined and time bound query system in place
- e. Seamless integration and approvals across various ministries/ departments with the end-to-end online system
- f. Procedure, timelines and online system of notice/appeal for rejection/cancellation of permission/approval

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

Answer: The present question does not warrant any response from us.

Q11. Whether the present system of permissions/approvals mentioned in para no. 3.107 or any other permissions granted by TEC requires improvement in any respect from the point of view of Ease of Doing Business (EoDB)? If yes, what steps are required to be taken in terms of:

- a. Simple, online and well-defined processes
- b. Simple application format with a need to review of archaic fields, information, and online submission of documents if any
- c. Precise and well-documented timelines along with the possibility of deemed approval
- d. Well-defined and time bound query system in place
- e. Seamless integration and approvals across various ministries/ departments with the end-to-end online system
- f. Procedure, timelines and online system of notice/appeal for rejection/cancellation of permission/approval

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

Answer: The present question does not warrant any response from us.

Q12. What measures should be taken to ensure that there is no duplicity in standards or in testing at BIS, WPC, NCCS, and TEC? Which agency is more appropriate for carrying out various testing approvals? Provide your reply with justification.

Answer: In response to the abovementioned questions, it is observed that TEC is the technical wing of the Department of Telecommunications and has played a crucial role in the telecom ecosystem of India. TEC develops standards for the telecommunication sector in India, to ensure the development of world-class telecom networks and smooth interconnection of individual networks and provides technical support to DoT and other

government departments and formulates technical specifications in the form of standards of various telecommunication technologies for telecom equipment, networks, systems, and services to be deployed in the Indian Telecom Network, in harmony with International Standards after wide stakeholder consultations. During the formulation of the above-mentioned documents, 'Test Schedule Test Procedure' (TSTP) is also prepared to carry out testing and certification of the equipment. It also discharges its function as a testing and certification body. Broad testing/approvals processes followed by TEC includes a. Mandatory testing certification of telecom equipment (MTCTE) b. Type Approvals c. Interface Approvals. The TEC has been enshrined with the powers to provide requisite certifications and to empanel/declare the list of accredited testing labs that fulfill the requirements for carrying out testing as per the defined Test Schedules and Test Procedures. We suggest that the said TEC shall also provide certification to the set top boxes (STBs) of the DPOs that are deployed and used for the purpose of retransmission of cable television signals. As such, TEC can then operate as a single uniform body for the purpose of providing certifications and approvals to all equipment that is used for the purpose of retransmission of cable television services. Another suggestion that is put forth to the Authority is that the CAS and SMS vendors that are allowed to remain operative in India should strictly be incorporated and registered under the Companies Act, 2013 so that they can be subjected to the provisions of Indian laws in the event of any requirement/support.

However, despite such an exhaustive testing and approval mechanism there are instances of ambiguity and duplicity in testing, as similar testing, and certification are done by different authorities. For example, for ICT equipment, safety tests are currently certified by the Bureau of Indian Standards (BIS). Therefore, it is suggested that the authorities should formulate a uniform standard for testing and approval by a single authority rather than authorizing multiple agencies to conduct similar test on similar or varied stands resulting in lax in services and widespread dissemination of data.

Q13. Whether the present system of getting fresh and additional space segment capacity on Indian and foreign satellites for various services mentioned in para no. 4.15 or any other new service from DOS, requires improvement in any respect from the point of view of Ease of Doing Business (EoDB)? If yes, what steps are required to be taken in terms of:

- a. Simple, online and well-defined processes**
- b. Simple application format with a need to review of archaic fields, information, and online submission of documents if any**
- c. Precise and well-documented timelines along with the possibility of deemed approval**
- d. Well-defined and time bound query system in place**
- e. Seamless integration and approvals across various ministries/ departments with the end-to-end online system**

f. Procedure, timelines and online system of notice/appeal for rejection/cancellation of space segment capacity

Give your suggestions with justification for each service separately with detailed reasons along with examples of best practices if any. 64

And

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

Answer: The present question does not warrant any response from us.

Q15. Whether the present system of permissions/registrations mentioned in para no. 5.10 or any other permissions granted by MeitY along with BIS, requires improvement in any respect from the point of view of Ease of Doing Business (EoDB)? If yes, what steps are required to be taken in terms of:

a. Simple, online and well-defined processes

b. Simple application format with a need to review of archaic fields, information, and online submission of documents if any

c. Precise and well-documented timelines along with the possibility of deemed approval

d. Well-defined and time bound query system in place e. Seamless integration and approvals across various ministries/ departments with the end-to-end online system

f. Procedure, timelines and online system of notice/appeal for rejection/cancellation of permission/registration

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

Answer: Ministry of Electronics and Information Technology (MeitY) grants the following permissions/registrations of Electronics and IT goods along with Bureau of Indian Standard (BIS): 1. Standards and Certification of Compulsory Registration Scheme (CRS) 2. Conducting Surveillance of Products 3. BIS- Renewal of registration 4. BIS-Critical Component List (CCL) update.

As highlighted in the CP, there is an online platform for the application process which to some extent makes it easier for manufacturers to register and seek approval. However, there is no timeline prescribed for the completion of the process for grant of approval. Further, the intimation of status of the application remains to be offline which again makes the procedure cumbersome and time consuming. Moreover, the procedure

for renewal of the license remains to be a drawback for the stakeholders. Under the Compulsory Registration Scheme (CRS) sets to meet the safety standard and get safety certification for ICT products. Under this scheme, it is mandatory for manufacturers to get their products tested and registered before launching them in the Indian market or importing them to India. BIS grants the registration number on products following the established process. Most of the times, due to lack of technological advancement, the Indian Manufacturers fail to satisfy the test.

In respect of the Cable TV industry, most of the equipment including the Set Top Boxes is imported from countries like China and Korea due to lack of Indian Manufacturers that may provide the same or better quality products at competitive prices. The major reason for that is the lack of institutional support, low investments in R&D and the stringent licensing regime requiring the manufacturer to run from pillar to post for seeking the necessary approval. Therefore, it is recommended that the authorities should focus on promoting manufacturing of equipment at local level that would benefit the all the stakeholders including consumers.

Q16. What are the issues being faced by various service providers in seeking stable and committed quality power supply connections from power DISCOMS? For statewide operations whether it is feasible to get power supply in time bound manner for various locations from a single window contact or has to be made region-wise. What measures do you suggest to improve the same?

Answer: Electricity and power supply is an essential element for any business operation. Hence, there has to be a continuous power supply available for running the operations of any business in a smooth manner. The Authority's kind attention is also drawn to the fact that one of the parameters out of the 10 parameters of World Bank's annual Doing Business Report 2020 for assessing the ranking in terms of EoDB is "Electricity" i.e. Power Supply. Hence, the availability of continuous power supply is a key factor for smooth running of any business and creating a viable environment for setting up a business. However, despite of various initiatives of Government for provisioning uninterrupted power supply, we are still way behind other developed countries leading to dependency on alternative supply of power like Diesel Generator Set at the cost of our finances and environment.

We state that presently, the service providers are encountered with interrupted power supply/ power cut from time to time which affects the continuous functioning of Headend for cable television business and Optical Network Units (ONT), switches and Networks Operation Centre (NOC) in respect of ISP business leading to disruption in service to the end user which is beyond the control of service provider. Therefore, in order to ensure continuous power supply, the electricity board must consider provisioning of "Hotline" i.e. dedicated supply to the Telecom and Broadcasting sector in a similar manner as is made available to railways, metro, hospitals, Doordarshan, crematorium etc. It may be pointed out that Telecom and Broadcasting also comes under the purview of "Essential Services".

It is also suggested that for providing ease of operationalization of business, any applicant/ operator (MSO/ISP) must receive required power supply within a specific timeframe after making an Application to the Board. Further, all processes related to the application, payment of fees etc. should be made online through a single body i.e. the Central Electricity Board, which in turn will percolate the request to the respective State Electricity Board for providing the electricity supply/connection in a time bound manner without compromising on the quality of power supply.

Q17. Whether the extant mechanism of reporting and filing at the SARAS portal and the offices of Controller of Communication Accounts (CCA) simple and user-friendly? If not, what measures are required to make it simple, transparent, and robust? Justify your comments.

Answer: In our opinion the present mechanism for reporting and filing of license fee along with other charges available at the SARAS Portal is efficient and makes it convenient for the parties to comply with timely compliance and payment of fee. We suggest that the SARAS portal should be made comprehensive enough to record all details with respect to list of compliances, compliance reports, bank guarantees and all other records of financial transactions between the Licenser and the Licensee. This will ensure that the Licenser will have access and complete visibility to all requisite information, approvals and transactions on one single portal in a user-friendly manner. Further, it is brought to the kind attention of the Authority that in view of our response to Question No. 2, we suggest that post removal of levy of license fees, the requirement of submission of quarterly reports in relation to Adjusted Gross Revenues (AGR) should also be done away with and removed from the SARAS portal.

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

Answer: Presently, all access service providers are required to submit the License Fee, SUC, and documents related to deductions claimed from gross revenue separately for each service area in the respective offices of CCAs. The SUC assessment and the verification of deduction documents are independently carried out by all 22 offices of CCAs. Offices of CCAs disallow deductions claimed from Gross Revenue, which TSPs sometimes claim are arbitrary. In many cases, a huge amount of deductions are disallowed in initial scrutiny without proper verification, and only after follow-ups, meetings, and submission of many additional documents, deductions are allowed. This makes the process cumbersome and ambiguous. Hence, the DoT should develop a uniform set of guidelines along with an umbrella online portal and simplify the process for the stakeholders.

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

Answer: No comments are submitted for the above stated question.

Q20. What measures are required to be taken to simplify the various submissions/filings made by teleport operators, DTH operators, MSOs, and other stakeholders at MIB? Provide your detailed reply with justifications.

Answer: One of the significant compliance requirement for DPOs is that they are required to provide a compliance report every month in respect of carrying the mandatory channels of Government on their platform along with their Logical Channel Numbers (LCNs) through email. Consumer complaints uploaded by MIB on pgportal.gov.in are to be addressed by the DPOs. Further, MSOs have been provided a login on the Digital India MIB portal, wherein they have to feed their Set Top Box (STB) seeding data every week. In our opinion this process should be simplified and a uniform unlike portal should be created that would enable the DPOs to fulfil the required compliance and the requirement for submission of physical copy should be removed. Moreover, the compliance of weekly STB seeding data should be made on monthly basis. It is also suggested to the Authority that all players in the Television Distribution Market should be mandated to share the aforesaid information in terms of monthly and quarterly reports, without any exception so that the Authority has an overall and accurate insight into the television distribution market. Besides that, any DPO that fails to share its monthly and quarterly reports, or shares reports that undermines the due spirit of the regulatory framework, for a consecutive period of six months; should be mandatorily subjected to the termination and/or suspension of license, as and what the Authority may deem fit. This will ensure that only serious and compliant DPOs continue to sustain and are allowed to continue operationalizing their business. Another suggestion that is put forth in this context is that in the event any DPO, has failed to operationalize its business within the timeline prescribed in the license, such DPO should be subjected to a show-cause and in the event of failure on part of the DPO to submit a satisfactory response, the license of the DPO should be forthwith terminated and/or cancelled as may be applicable. The said process of termination and/or cancellation shall be automated on the implementation of the unified web portal for registration and licenses.

Q21. TRAI seeks multiple reports through its multiple divisions at predefined frequency intervals. Reports submitted by operators are examined and for non-compliances, show cause notices are issued and financial disincentives are imposed, wherever applicable. Do you think there is a need to improve reporting and compliance system in TRAI? Please elaborate your response with justifications.

Answer: We state that there are multiple reports which are required to be submitted to the Authority at periodic intervals. The reports almost capture the entire functioning of

a MSO. These reports are given on monthly, quarterly and yearly basis. Though compliance and audit is crucial for maintaining regulatory check over the service providers, the Authority must reconsider the unnecessary/undesired interference into the functioning of a MSO. It becomes cumbersome when repeated information is required to be furnished during filing of each report. In our opinion, if these reports are integrated together in such a way that the service provider is relieved from the task of submitting the data on repetitive basis, the same can simplify the task of the MSO on one hand and on the other hand the Authority could get the desired information in a single report itself. For instance, if reports pertaining to the financial operations and subscriber related data are integrated in a single requirement/report, it would be easier for the MSO to furnish the information at a single go and also the Authority will not have to go through series of reports. Further, the report filing interval may be reduced from monthly and quarterly to yearly basis.

In our opinion, the requirement of submission of physical copy of monthly and quarterly reports along with the ancillary documents to TRAI should be removed as the submission of hardcopy makes the process unnecessarily time consuming. Further, quarterly compliance reports from DPOs on empaneled auditors for the audit done in each quarter are submitted by email may also be called in online mode by integration of the same in the BIPS portal.

Q22. Identify those redundant items which require deletions and at the same time the items that need to be included in the reporting and regulatory compliance systems due to the technological advancements. Suggest such changes with due justifications.

And

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

Answer: In response to this question, it is stated that presently the Cable TV industry is micro managed with multiple regulatory compliances that warrants time and resources and with the increase in competition from the other DPOs like DTH, HITS, OTT platforms the market share of the MSOs is consistently decreasing. Therefore, the authorities should review the compliance norms for MSOs and develop the regulatory regime to bring OTT platforms under its purview.

In the light of enhancing ease of doing business in India it is imperative that the processes for reporting compliance ought to be simplified and rationalized. Following are the suggestions made as a step forward towards EoDB:

i. Single Window Reporting:

It is suggested that applying the concept of single window reporting, methodology for submission of a single exhaustive and comprehensive report with DoT-HO may be adopted rather than sending reports at individual regional offices of DoT. Also

mechanism to retrieve the reports filed in DoT-HO by the Regional HO should be put in place.

- ii. Formats of the reports are not standardized and are often region specific as different region requests for different information;

Reporting formats needs to be standardized for all offices of DOT including Regional Offices and circulated to all the stakeholders and ISP Operators with directives to follow the same.

- iii. Certain information asked for are irrelevant;

Information pertaining to details of franchisee, job creation, network penetration in villages etc. directly has no bearing to the protection of customer interest or development of business /industry. Hence, such information should be kept out of the reporting parameters.

- iv. Reports are sent monthly, quarterly, half-yearly as well as yearly;

Frequency of sending reports needs to be reduced, as reiterated in our earlier response, these frequency may be brought down to quarterly reporting for the reasons enumerated therein in our response to question no. 20 and 21.

In the context of cable television business, reporting and compliance requirements as per the Regulations and Tariff Orders viz (1) the Telecommunication (Broadcasting and Cable) Services (Eighth) (Addressable Systems) Tariff Order, 2017, (2) the Telecommunication (Broadcasting and Cable) Services Interconnection (Addressable Systems) Regulations, 2017, The Telecommunication (Broadcasting and Cable) Services Register of Interconnection Agreements and all such other matters Regulations, 2019 and the Telecommunication (Broadcasting and Cable) Services Standards of Quality of Service and Consumer Protection (Addressable Systems) Regulations, 2017. With respect to the same, we state that at present there are more than 1,50,000 LCOs associated with 1747 MSOs and 357 broadcasters. Hence, huge number of interconnect agreements are executed and details of execution of such agreements including accepted Reference Interconnect Offer (RIO) are reported to the Authority. Amongst them a large number of agreements are in Standard Format viz: Model Interconnect Agreement (MIA), Standard Interconnect Agreements (SIA). These agreements mostly have a period of validity of only one (1) year and hence renewed every year.

Submission of copies of agreements, RIOs and along with renewals between such huge number of LCOs and MSOs apart from other reports pertaining to change in bouquet, its pricing etc. needless to say, is a herculean task. The Authority may therefore, consider to waive off submission of copies in case of Standard Agreements and simply adopt /install an online mechanism where both the parties i.e. distributors and LCOs

affirm/ undertake to the Authority through online mode about the execution and existence of agreements in lines with the prescribed requirements.

There is requirement of some mechanism to report to the Authority about hurdles and issues faced by the MSOs so that the Authority may intervene and work out redressal of the issues such as STB swapping, withholding of STBs by LCOs upon migration, cable cutting , transmission of unlawful (analogue) and foreign channels etc. which affect smooth running of business.

It is suggested that apart from providing On-line reports, application-based or portal based reporting is required to be introduced, where the information so captured in MSO's/ISP's database shall be incorporated to the portal of reporting agency/authority via link as is done in application-based banking system. The Authority has recently developed a Broadcasting & Cable Services Integrated Portal (BIPS), which has gone live on 2nd January, 2020 for filing of the interconnection agreements. The portal is also likely to incorporate tariff and PMR filings in a phased manner. Such type of reporting and submission of data is likely to bring ease of reporting. Since, the Ministry of Information and Broadcasting (MIB) is also in the process of deploying a website "Digital India MIB", the suggestions that have been made by us in the foregoing responses may be taken into account for simplifying the compliance processes and further, enhancing the ranking of our country towards the initiative of EoDB.

Q24. Are there any other issues in the present system of licenses/permissions/registrations granted by MIB/DoT/WPC/NOCC/TEC/DOS/MeitY/MoP that can be identified as relevant from the perspective of ease of doing business in the telecom and broadcasting sector? If yes, provide a list of those processes and suggest ways for their improvement.

Answer: No Comments.