

**6**

**STANDING COMMITTEE ON COMMUNICATIONS  
AND INFORMATION TECHNOLOGY  
(2024-25)**

**EIGHTEENTH LOK SABHA**

**MINISTRY OF INFORMATION AND BROADCASTING**

**[Action Taken by the Government on the Observations/Recommendations of the  
Committee contained in their Fifty-Sixth Report (Seventeenth Lok Sabha) on  
'Regulation of Cable Television in India']**

**SIXTH REPORT**



**LOK SABHA SECRETARIAT  
NEW DELHI**

*March, 2025/ Phalguna, 1946 (Saka)*

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'Regulation of Cable Television in India']**

**Presented to Lok Sabha on                      11.03.2025**

**Laid in Rajya Sabha on                      11.03.2025**



**LOK SABHA SECRETARIAT  
NEW DELHI**

*March 2025/ Phalguna, 1946 (Saka)*



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**Composition of the Standing Committee on Communications and  
Information Technology (2024-25)\*\***

**Dr. Nishikant Dubey - Chairperson  
Lok Sabha**

2. Shri C.N. Annadurai
3. Shri Anil Baluni
4. Dr. Rabindra Narayan Behera
5. Shri Anup Sanjay Dhotre
6. Shri Gurmeet Singh Meet Hayer
7. Shri Sanjay Haribhau Jadhav
8. Shri S. Supongmeren Jamir
9. Shri Appalanaidu Kalisetti
10. Smt. Poonamben Hematbhai Maadam
11. Ms. Mahua Moitra
12. Shri G. Kumar Naik
13. Shri Shafi Parambil
14. Dr. M.K. Vishnu Prasad
15. Ms. Kangna Ranaut
16. Shri Radheshyam Rathiya
17. Shri Ramasahayam Raghuram Reddy
18. Shri Arun Kumar Sagar
19. Shri Devesh Shakya
20. Shri Vishnu Datt Sharma
21. Shri Rajesh Verma

**Rajya Sabha**

22. Shri Saket Gokhale\*
23. Smt. Priyanka Chaturvedi
24. Shri Ilaiyaraaja
25. Shri Amar Pal Maurya
26. Dr. Sasmit Patra
27. Shri V. Vijayendra Prasad
28. Shri S. Niranjan Reddy
29. Shri Kartikeya Sharma
30. Shri Lahar Singh Siroya
31. Shri K.T.S. Tulsi

**SECRETARIAT**

- |    |                     |   |                   |
|----|---------------------|---|-------------------|
| 1. | Shri Y.M. Kandpal   | — | Joint Secretary   |
| 2. | Smt. A. Jyothirmayi | — | Director          |
| 3. | Smt. Rinky Singh    | — | Executive Officer |

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*\*\*Committee constituted w.e.f. 26<sup>th</sup> September, 2024 vide Para No.833 of Bulletin Part-II dated 26<sup>th</sup> September, 2024.*

*\* Shri Saket Gokhale has been nominated vide Para No. 853 of Bulletin Part –II dated 03<sup>rd</sup> October, 2024.*

## **INTRODUCTION**

I, the Chairperson, Standing Committee on Communications and Information Technology (2024-25), having been authorized by the Committee, present this Sixth Report on Action Taken by the Government on the Observations/Recommendations of the Committee contained in their Fifty-Sixth Report (Seventeenth Lok Sabha) on the subject 'Regulation of Cable Television in India' relating to the Ministry of Information and Broadcasting.

2. The Fifty-Sixth Report was presented to Lok Sabha and also laid on the Table of Rajya Sabha on 8<sup>th</sup> February, 2024. The Ministry of Information and Broadcasting furnished their Action Taken Notes on the Observations/Recommendations contained in the Fifty-Sixth Report on 17<sup>th</sup> January, 2025.

3. The Report was considered and adopted by the Committee at their Sitting held on 5<sup>th</sup> March, 2025.

4. For facility of reference and convenience, Observations/Recommendations of the Committee have been printed in bold in Chapter-I of the Report.

5. An analysis of Action Taken by the Government on the Observations/Recommendations contained in the Fifty-Sixth Report of the Committee is given at Annexure-II.

**NEW DELHI;**  
**07 March, 2025**  
**16 Phalguna, 1946 (Saka)**

**DR. NISHIKANT DUBEY,**  
**Chairperson,**  
**Standing Committee on**  
**Communications and Information Technology**

## CHAPTER I

### REPORT

This Report of the Standing Committee on Communications and Information Technology deals with the action taken by the Government on the Observations/Recommendations of the Committee contained in their Fifty-sixth Report (Seventeenth Lok Sabha) on the subject 'Regulation of Cable Television in India' relating to the Ministry of Information and Broadcasting.

2. The Fifty-sixth Report was presented to Lok Sabha/laid in Rajya Sabha on 8<sup>th</sup> February, 2024. It contained 11 Observations/Recommendations. Replies of the Government in respect of all the Observations/Recommendations have been received from the Ministry of Information and Broadcasting and are categorized as under:-

(i)	Observations/Recommendations which have been accepted by the Government Rec. Sl. Nos.:– 1, 8, 9 & 11	
		Total-04 Chapter-II
(ii)	Observations/Recommendations which the Committee do not desire to pursue in view of the replies of the Government Rec. Sl. No.:– NIL	
		Total — NIL Chapter-III
(iii)	Observations/Recommendations in respect of which replies of the Government have not been accepted by the Committee and require reiteration Rec. Sl. No.:– NIL	
		Total – 00 Chapter-IV
(iv)	Observations/Recommendations in respect of which replies of the Government are of interim in nature Rec. Sl. No.:– 2, 3, 4, 5, 6, 7 & 10	
		Total – 07 Chapter-V

3. The Committee trust that utmost importance would be given to implementation of the Observations/Recommendations accepted by the Government. The Committee further desire that Action Taken Notes on the Observations/Recommendations contained in Chapter-I of this Report and final action taken replies to the Observations/Recommendations contained in Chapter-V of this Report should be furnished at the earliest.

4. The Committee will now deal with action taken by the Government on some of their recommendations.

### **Regulation of Cable Television in India**

#### **(Recommendation Sl. No. 2)**

5. The Committee, in their Fifty-sixth Report, had recommended as under:-

“The Committee note that for regulating the Cable TV industry there are not only multiple Acts, Rules, Guidelines, etc. but there are also multiple regulatory bodies like MIB, TRAI, DoT, etc. For example, MIB serves as the registering authority for MSOs whereas the Head-Post office of the area serves as registering authority for Local Cable Operators. Besides, as submitted by MIB there is an urgent need for creating a level playing field for all broadcasting services as well as for addressing the need of satellite-based technologies which are being regulated through the old legislation. In view of the foregoing, the Committee are of the opinion that the Cable TV industry needs to be regulated through a comprehensive Act and therefore recommend the Ministry to ensure that the proposed ‘Broadcasting Services (Regulation) Bill, 2023’ sees the light of the day at the earliest since it will go a long way in resolving the concerns of this industry. Nevertheless, the Committee impress upon the Ministry to ensure that adequate consultations are done with all the concerned stakeholders. The Committee recommend that all the aspects concerning the cable industry may be taken into consideration while bringing in the comprehensive Bill. The Committee would further like to engage in constructive discussions regarding the proposed draft legislation at a more mature stage of its formulation. The Committee also desire to be apprised of the timeline by which the Ministry would table the ‘Broadcasting Services (Regulation) Bill, 2023’ for the consideration of the Parliament. The Committee desire to be apprised of the progress made in this regard”.
6. In their Action Taken Reply, the Ministry of information and Broadcasting submitted as under:—

“The draft Broadcasting Services (Regulation) Bill, 2023 was placed in public domain on 10.11.2023, seeking views/comments/suggestions of the general public and stakeholders till 09.12.2023 which was later extended upto 15.01.2024. Number of comments were received and series of consultations were done subsequently. Based on the wide range of view expressed during consultations with stakeholders, additional time was provided for comments till 15.10.2024. A fresh draft will be published after detailed consultations.

Concerning the timeline for presenting the draft bill before the Honorable Parliament, it is stated that post completion of consultations with stakeholders, this Ministry shall prepare a draft Cabinet Note on the bill, which will be circulated for Inter-Ministerial consultation. Following this, the draft bill will be submitted for the Cabinet's consideration. This process is expected to take some time. The Committee will be duly informed about the progress of this process”.



7. The Standing Committee on Communications and Information Technology [17<sup>th</sup> Lok Sabha (2024-25)], in their Fifty-sixth Report had observed that for regulating Cable Television Industry, there are multiple Acts, Rules, Guidelines, etc. besides multiple regulatory bodies like Ministry of Information and Broadcasting (MIB), Telecom Regulatory Authority of India (TRAI), Department of Telecommunication (DoT), etc. The Committee had also learnt that there was an urgent need for creating a level playing field for all Broadcasting services and for addressing the need for satellite-based technologies which were being regulated through the old legislation. In view of these, the Committee had opined that the Cable TV Industry needs to be regulated through a comprehensive Act and had desired to be apprised of the timeline by which the 'Broadcasting services (Regulation) Bill, 2023' would be tabled in the Parliament. To this, the Ministry in their Action Taken Reply, informed that the draft 'Broadcasting Services (Regulation) Bill, 2023' was placed in public domain on 10.11.2023 to seek views/comments/suggestions from general public and stakeholders till 09.12.2023 which was later extended upto 15.01.2024. The Ministry also informed that a number of comments were received and series of consultations were done and based on the wide range of views expressed during consultations additional time was provided for comments till 15.10.2024. Thus, a fresh draft would be published after the completion of detailed consultations with stakeholders. Further, the Ministry would prepare a draft Cabinet Note on the Bill, which would be circulated for Inter- Ministerial consultation. Following this, the draft Bill would be submitted for the Cabinet's consideration and this process would take some time.

In the light of the significance/need for a comprehensive Act and the fact that it is more than 3 months since the additional time was given for receiving comments/suggestions from general public and stakeholders (till 15.10.2024), the Committee desire to be apprised of the progress made with respect to the 'Broadcasting Services (Regulation) Bill, 2023/2024'. The Committee call upon the Ministry to set a deadline for completing the entire process and introduce the 'Broadcasting Services (Regulation) Bill' in the Parliament at the earliest.

#### **Constraints/challenges faced with respect to Cable TV regulation in India**

##### **(Recommendation SI. No. 3)**

8. The Committee, in their Original Report, had made the following Observation/Recommendation:—

“The Committee further note the measures/initiatives taken to address the issues concerning various players of the Cable TV industry. TRAI has issued the consultation paper on ‘Issues related to New Regulatory Framework for Broadcasting and Cable services’ on 7th May 2022 seeking stakeholders’ comments. On the basis of this consultation, on 22nd November 2022, TRAI notified the Telecommunication (Broadcasting and Cable) Services (Eighth) (Addressable Systems) Tariff (Third Amendment) Order, 2022 and the Telecommunication (Broadcasting and Cable) Services (Addressable Systems) Interconnection Regulations (Third Amendment) Order, 2022. Further, to address various issues, TRAI issued a consultation paper titled ‘Review of Regulatory Framework for Broadcasting and Cable services’ on 23rd August 2023 seeking stakeholders’ comments. The Committee have been informed that the comments/ counter-comments are being analyzed by TRAI. In this regard, the Committee desire to be apprised of the updated status regarding the ‘Review of Regulatory Framework for Broadcasting and Cable services’ issued on 23rd August 2023 seeking stakeholders’ comments along with the outcome on the following measures taken by MIB to ensure the growth of Cable TV sector which includes (i) streamlining of procedures for Multi-System Operator (MSO) registration renewal, extending the period to ten years; (ii) Last Mile Access to Broadband service providers; (iii) Regulatory Framework for Platform Services issued on 30.11.2022; (iv) Guidelines issued on infrastructure sharing on 29.12.2021, that is permitting Multi-System Operators (MSOs) to share infrastructure, including headends and networks, under specific conditions; (v) streamlining the registration procedure for LCOs, etc.

The Committee further recommend MIB to collaborate with the Ministry of Electronics and Information Technology (Meity) to develop a comprehensive digital solution for addressing under reporting among Cable TV subscribers and the absence of an oversight mechanism. This solution should include an advanced digital platform with robust data analytics tools to detect and mitigate under reporting, real-time reporting features, standardized data protocols and regular audits for ongoing effectiveness. The user-friendly interface will facilitate seamless reporting and monitoring, ensuring transparency and accountability within the Cable TV sector.

The Committee would further urge the Ministry to: (i) identify and address the issues acting as roadblocks of monitoring mechanism for ensuring compliance to the relevant regulations/guidelines; (ii) have a central database for monitoring cable operators; and (ii) take initiatives for making Ministry of I&B as the registering authority for LCOs. The Committee would like to be apprised of the action taken on these issues”.

9. The Ministry of Information and Broadcasting, in their Action Taken Reply, stated that the updated status regarding the ‘Review of Regulatory Framework for Broadcasting and Cable services’ issued by TRAI on 23.08.2023 for stakeholder’s comments shall be provided by TRAI. As regards other points, the Ministry provided following inputs:-

“(i)Streamlining of procedure for MSO registration renewal, extending the period to 10 years: In this regard, it is stated that this Ministry amended

the Cable Television Network Rules, 1994 on September 18, 2023, to include provisions related to the renewal of MSO registration. According to the amendments, MSO registration will be renewed for a period of 10 years. The additional requirements for the renewal process have been duly notified in the amended Rules. To ensure a streamlined renewal procedure, MSOs are instructed to apply for the renewal of their registrations online through the Broadcast Seva Portal.

(ii) Last Mile Access to Broadband Service Providers: (a) It is stated that the CTN Rules, 1994 were amended on 18.09.2023 and Rule 5C was added which reads as follows:

*'Cable operators may strive to provide last mile access to broadband service providers providing internet service or access service, in a fair, transparent and Non-discriminatory manner for proliferation of broadband services'.*

(b) In addition to the above, a DO letter dated February 19, 2024, from the Secretary (I&B) was sent to the Department of Telecommunications requesting the exemption of cable operators registered under the Cable Television Networks (CTN) Act, 1995, from the requirements of obtaining a Virtual Network Operator (VNO) license. This exemption was sought to facilitate the proliferation of broadband services, especially in rural areas.

(c) Subsequently, a meeting was organized by this Ministry on 27.06.2024 with the representatives from DoT and LCOs/MSOs. During the meeting, it was informed by DoT that TRAI's recommendations on rationalization of requirements of VNO license are under consideration in the Department. A reminder dated 17.10.2024 was sent to DoT seeking action taken in the matter. In response, DoT vide its DO letter dated 19.11.2024 stated that *'DoT is in the process of framing of Rules under the ambit of Telecommunications Act 2023 pertaining to development, expansion and operation of telecommunication services and telecommunication networks; assignment of spectrum; and for matters connected therewith or incidental thereto. Further, the Department is in the process of evaluating the TRAI recommendations dated 18<sup>th</sup> September 2024 regarding the framework for service authorizations under Section 3(1)(a) of the Act. However, TRAI's recommendations concerning authorizations under Section 3(1)(b) of the Act are yet to be received. A final decision on the matter will only be taken once the matter has been examined in a holistic manner considering all aspects including its potential impact on the stakeholders and sector as a whole'.*

(iii) Regulatory framework for Platform Services (PS) issued on 30.11.2022: This Ministry had issued guidelines for registration of PS channels offered by MSOs on 30.11.2022. The MSOs providing PS channels have been instructed to apply for registration of these services online.

(iv) Guidelines issued on infrastructure sharing on 29.12.2021 that is permitting MSOs to share infrastructure including headends and networks, under specific conditions: This Ministry had issued guidelines on 29.12.2021 allowing MSOs to share infrastructure on voluntary basis. This step enables small players to share infrastructure and provide Cable TV services without infusing hefty investments in cable infrastructure.

As per the guidelines the MSOs can share infrastructure by submitting an application before the Ministry along with the terms of agreement between them. The sharing is subject to the compliance of terms and conditions of the MSO registrations and TRAI's regulations.

(v) Streamlining the registration procedure for LCOs: (a) Currently, the registration of Local Cable Operators (LCOs) is carried out at the Local Head Post Office of the area of operation of the LCO. The registration process is offline due to which LCO face problems.

(b) To address the issues faced by the LCOs, this Ministry is in process of developing an online module (within Broadcast Seva Portal) to carry out registration of LCOs. Currently, the Ministry is at advance stage of implementing online Registration Framework for LCOs. The registration shall be granted for a period of 5 years with PAN India validity. The registering authority for LCO shall be designated Section Officer in the Ministry.

(vi) The Committee also recommended collaboration with Meity to develop a comprehensive digital solution for addressing underreporting among cable TV subscribers and absence of oversight mechanism. In this regard, it is stated that a Cable Television Monitoring Cell (CTMC) is proposed to be setup in the Ministry to ensure that MSOs furnish their subscriber data regularly to the Ministry. It has also been proposed to provide a digital solution i.e. monitoring devices that shall be installed at the premises of MSOs and would ensure transparency and accountability in the Cable TV sector.

(vii) Further, it is stated that this Ministry is working actively to identify and address the roadblocks of monitoring mechanism to ensure compliance to the extant regulations/ guidelines.

(viii) Furthermore, this Ministry published a "National Register of LCOs" on Broadcast Seva Portal on 22.02.2024 to assign a National Registration Number to each LCO and compile the National register of LCOs. This register will provide the details of LCOs to all the stakeholders to connect to them for cable services/broadband services. The register is being updated timely by this Ministry".

**10. The Committee note that the Ministry have taken concrete actions on issues like (a) streamlining of procedure for Multi-System Operator (MSO) registration renewal - extending the period to ten years; (b) Regulatory Framework for Platform Services issued on 30.11.2022; (c) Guidelines issued on infrastructure sharing on 29.12.2021 - that is permitting Multi- System Operators (MSOs) to share infrastructure, including head-ends and networks, under specific conditions; and (d) Streamlining the registration procedure for LCOs, etc.**

**The Committee also note that w.r.t. last mile access to Broadband service providers, the Ministry have submitted that the Department of Telecommunication (DoT) is in the process of framing Rules under the ambit of 'Telecommunications**

**Act, 2023’ and they are also in the process of evaluating TRAI’s recommendations regarding the framework for service authorizations under Section 3 (1) (a) of the Act. Since TRAI’s recommendation under Section 3 (i) (b) of the Act is pending, DoT may pursue vigorously with TRAI to obtain the same. The Committee urge the Ministry to get the updated status from DoT and TRAI and apprise them about the final decision on the matter at the earliest.**

**(Recommendation Sl. No. 4, 5 and 6)**

**Role of TRAI**

**(Recommendation Sl. No. 4)**

11. The Committee, in their Original Report, had made the following Observation/Recommendation:—

“On the decision of TRAI to not place a cap on channel pricing based on derived costing methodology for the benefit and protection of consumers, TRAI submitted that a channel consists of several programs. The cost of the production of different programs drastically varies based on the actors, setup cost, script, copyrights, and other miscellaneous factors. The various programs in a given channel also frequently change based on their Television Rating Points (TRP), advertisement potential, and other ground reports. Hence, determining the cost of production of a channel at all times is an extremely difficult process, perhaps almost impossible. They also stated that Broadcasters should be given business flexibility to monetize their channels.

Further, due to conflicting positions presented by AIDCF and TRAI during the deliberations, the Committee urged both parties to engage in constructive dialogue and enhance mutual understanding before presenting their respective facts to the Committee. The Committee express disappointment at TRAI's decision to instruct AIDCF to address pricing policy discrepancies without holding a meeting. Despite the Committee's clear directive, TRAI has persistently refused to engage with AIDCF. The Committee emphasized that fostering harmonious relations between the parties is crucial for achieving an amicable solution, but unfortunately, this collaborative approach has not been observed. The Committee acknowledge the complexity involved in determining channel pricing due to various factors influencing costing. Nevertheless, it emphasizes that TRAI holds a shared responsibility to ensure consumers receive services at a fair price. The Committee further recognized the paramount importance of providing consumers with good Quality-of-Service (QoS) under all circumstances. Given TRAI's pivotal role in fostering a healthy and competitive telecommunications and broadcasting ecosystem, the Committee recommend a collaborative effort among all stakeholders to address all the issues amicably as it encourages parties to engage in constructive discussions, find mutually agreeable solutions, and

take necessary actions to deliver optimal services to consumers. The Committee desire to be apprised regularly of the updates on the progress made in this regard”.

12. The Ministry of information and Broadcasting, in their Action Taken Reply, submitted as under:–

“ The recommendation made by the Committee was forwarded to TRAI for taking necessary action and submit comments vide letter dated 03.04.2024. TRAI vide its letter dated 02.05.2024 has informed that is has noted the issue for further consideration.

Further, the subject matter falls under the administrative domain of TRAI, no action is required on part of this Ministry”.

### **Enhanced flexibility to curate personalized packages from bouquets**

#### **(Recommendation Sl. No. 5)**

13. The Committee, in their Original Report, made the following observations/recommendations:–

“The Committee discern that, since DPOs are the primary service providers operating through Local Cable Operators (LCOs), therefore, the DPOs are strategically positioned to perceive and respond to the nuanced preferences and requirements of subscribers. The Committee acknowledge that the current practice of compelling subscribers to opt for predefined bouquets offered by Broadcasters acts as a hindrance to consumer choice. While the Committee do not question the Broadcasters' intent, it perceives that this practice does not align with the interests of consumers. Therefore, in order to safeguard consumer interests and promote freedom of choice, the Committee recommend that Distribution Platform Operators (DPOs) be granted the authority to select individual channels from broadcasters' bouquets. Further, in order to ensure that consumers have the flexibility to subscribe only to channels of their interest, fostering a more personalized viewing experience, the Committee recommend that DPOs should only be permitted to choose channels based on consumer preferences and remit to broadcasters the proportional price of the selected channels. The Committee wish to be apprised of the action taken in this regard”.

14. The Ministry of information and Broadcasting, in their Action Taken Reply, submitted as under:–

“The Committee recommended that DPOs may be granted authority to select individual channels from broadcasters' bouquet on the basis of consumer preferences. The proportional prices of these channels are to be remitted to broadcasters by them.

In this regard, it is submitted that MIB had already sent a reference to TRAI for recommendation on the matter under Section 11(1)(a)(iv) of the TRAI Act, 1997 on 06.09.2023.

In addition to the above, the report of the Standing Committee was sent to TRAI vide this Ministry's letter dated 03.04.2024. TRAI vide letter dated 02.05.2024 has informed that it has noted the issue for further consideration.

Further, the subject matter falls under the administrative domain of TRAI, no action is required on part of this Ministry".

### **Demarcation in the advertising guidelines between pay TV and FTA channels**

#### **(Recommendation Sl. No. 6)**

15. The Committee, in their Original Report, made the following observation/recommendation:—

"The Committee consider that there is a need for a thoughtful examination of such issues to safeguard consumer interests. The Committee, therefore, call upon for a categorization of channels as either 'Pay-TV' or 'Free-to-air' (FTA), based on the respective sources of revenue. The Committee, therefore, recommend for initiating a comprehensive consultation focused on the costing methodology of TV channels. This consultation should also aim to tackle the issue where consumers, who are essentially paying subscription fees, find themselves subjected to advertisements for a significant duration of their viewing experience".

16. The Ministry of information and Broadcasting, in their Action Taken Reply, submitted as under:—

"This Ministry has sent a copy of the report to TRAI vide letter dated 03.04.2024. TRAI vide its letter dated 02.05.2024 has informed that it has noted the issue for further consideration.

Further, the subject matter falls under the administrative domain of TRAI, no action is required on part of this Ministry".

17. **The Committee note that, with respect to the above-mentioned three Observations/Recommendations (No. 4, 5 and 6), the Ministry of Information and Broadcasting had forwarded them to TRAI for taking necessary action. In addition, the Ministry of I&B have responded that the subject matter(s) falls under the administrative domain of TRAI and no action is required on the Ministry's part. In light of the fact that the subject 'Regulation of Cable Television in India' relates to the Ministry of Information and Broadcasting and they act as nodal Ministry, the Committee recommend them to seek the response from TRAI/DoT for all the three above-mentioned Observations/ Recommendations along with the responses on the Observations/Recommendations placed under Chapter-V of this Report and furnish the same at the earliest.**

## **CHAPTER II**

### **OBSERVATIONS/RECOMMENDATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT**

#### **(Recommendation SI. No. 1)**

##### **Introduction**

The Committee note that the cable TV industry in India has been an integral part of the Media and Entertainment (M&E) sector and forms the backbone of the Broadcasting distribution industry which has played a significant role in the growth of the electronic media sector. With the growth in digital media, advancement in technology, and with the advent of OTT platforms, the cable TV subscriber base has witnessed a decline. The Committee note that as on September 2023, there are 915 Private Satellite TV Channels permitted by the Ministry of Information and Broadcasting (MIB) which include 361 Pay Channels (257 SD Pay Channels and 104 HD Pay Channels) and 543 Free-to-Air (FTA) Channels and there are approximately 332 Broadcasters (including 42 Pay Broadcasters and 290 FTA Broadcasters). The Committee have been informed that there are 998 Multi-System Operators (MSOs) registered with the MIB and there are 81706 Cable Operators. The Committee have also been informed that there are 64.18 million total active Direct-to-Home (DTH) Subscribers, 0.58 million Internet Protocol Television (IPTV) Subscribers, 64 million Cable TV Households, 2 million Headend-In-The-Sky (HITS) Subscribers, 50 million DD Free Dish households in the country. During the year 2022, the TV Revenue was Rs. 70,900 crore and out of that Rs. 39,200 crore was the subscription revenue and Rs. 31,800 crore was the Advertisement Revenue.

With respect to TV service value chain, the Committee note that the Broadcasting and Cable sector comprises of Broadcasters, Distribution Platform Operators (DPOs), and Local Cable Operators (LCOs) to provide satellite television services to the consumers and the Broadcaster is responsible for uplinking the signals of their television channel to a satellite in an encrypted form. The distributor then receives these signals from the satellite and decodes them using the decoder provided by the Broadcaster. The distributor is typically a company such as a Multiple System Operator (MSO), a Direct-to-Home (DTH) operator, a Headend-In-The-Sky (HITS) operator, or an Internet Protocol Television (IPTV) operator. Once the distributor has received and decoded the signals, they process and merge the TV channel signals of multiple broadcasters and platform services. After merging these signals, the distributor encrypts the combined signals and retransmits them further, either directly or through the local cable operator (LCO), to the customer. This process ensures that the customer receives a clear and uninterrupted signal from the television channel. MSOs stand at the middle point in the hierarchy of the Cable Services Sector between the Broadcasters on one side and Local Cable Operators on the other. In some instances, MSOs also provide the services directly to their consumers.

While examining the subject the Committee learnt that there has been a continuous decline in Cable TV Households and as per the Report of TRAI, the subscriber base of the Cable TV Industry has declined from 98.5 million (in 2018) to 67 million (in 2021) and further declining. The Committee also observed various constraints being faced by stakeholders in this sector. In the succeeding paragraphs, the Committee have examined various issues involved in the regulation of the cable TV industry in India



and hope that the Observations/Recommendations will help in taking cognizance of the concerns related to this industry and addressing them too.

### **Reply of the Government**

The observations/recommendations of the Committee in the Report are noted.

(Ministry of Information and Broadcasting O.M. No.  
N-45007/2/2023-DAS (Part-II) dated 17.01.2025)

### **(Recommendation Sl. No. 8)**

#### **Issue related to GST Liabilities**

The Committee acknowledge the complex dynamics between Multi-System Operators (MSOs) and Local Cable Operators (LCOs) within the cable television service ecosystem, particularly concerning Goods and Services Tax (GST) liabilities. As informed by the stakeholders, the Supreme Court, in the case of M/s Hathway Sukhamrit Cable and Datacom (P) Ltd., has outlined that Local Cable Operators (LCOs) receive signals from Multiple System Operators (MSOs), and the ultimate consumers or subscribers receive signals from LCOs. Moreover, the judgment has established that the service recipient for MSOs is the LCO, and for LCOs, it is the ultimate subscribers. The judgment emphasized that notwithstanding the provision of access to television channels through set-top boxes by MSOs, the interface between ultimate consumers and cable signals remains the exclusive domain of LCOs. The Committee find these observations crucial as they help in understanding the distinct roles and responsibilities of MSOs, LCOs, and ultimate subscribers.

The Committee recognize that LCOs wield control over, manage, and service the cable television network, and they are responsible for collecting charges from subscribers. The Committee are of the considered opinion that any GST and entertainment tax liabilities pertinent to LCOs should be exclusively discharged by LCOs, as per the applicable norms. Thus, in order to maintain fair distribution of tax responsibilities, the Committee strongly urge to hold an inter-Departmental consultation between Ministry of Information and Broadcasting and Department of Revenue with a mandate to define GST responsibilities within the sector, aiming to protect the interests of both MSOs and LCOs, with an approach meant to create a fair and effective tax system for the cable television sector.

### **Reply of the Government**

With regard to the recommendation regarding GST liabilities between LCO and MSO, it is stated that TRU vide its email dated 13.11.2024 has submitted that DGGI (Directorate General of Goods and Service Tax Intelligence) HQ vide letter dated 11.08.2024 has instructed its formations that *“the matter involves purely a question of fact, as to who is the supplier of services to the end customer i.e. subscriber, in a particular case- MSO or his linked LCO. The roles and responsibilities of the MSO and his linked LCO are fixed in terms of the agreement entered into between them and vary according to the agreement between them (as mentioned in the views of MIB). Therefore a detailed examination of the agreements among other aspects can determine whether it is the MSO, or his linked LCO, who is the supplier of cable services to the subscriber. Based on such examination, GST liability can be correctly fastened on the MSO or the*

*LCO, as the case may be. The issue appears to be resolved in light of the above instructions.”*

(Ministry of Information and Broadcasting O.M. No.  
N-45007/2/2023-DAS (Part-II) dated 17.01.2025)

### **(Recommendation Sl. No. 9)**

#### **Issue of Employment**

According to ‘All India Digital Cable Federation (AIDCF)’, an association of major Multi-system Operators functioning in India, approximately 3 lakh employees have lost their livelihood in the last 4 years, and additionally, around 3 lakh workforce is on the verge of losing their livelihood in cable TV industry across India due to massive reduction in cable TV base. When asked to provide the data related to number of job losses that have occurred in the past 5 years due to the declining subscriber base in the Cable TV industry, the Ministry informed the Committee that the employment landscape in the cable TV sector is predominantly informal and lacks a standardized record-keeping and reporting system. Unlike industries with a higher prevalence of contract-based employment, the cable TV industry often engages a significant portion of its workforce on an informal basis, making it challenging to compile specific data on job losses attributed to the declining subscriber base. However, the associations of MSOs and LCOs have claimed sustained reduction in the workforce in the industry over the last 5 years. The Committee while taking note that the decline in the work force in Cable TV sector is one of the inevitable effects of the advancement of technology call upon the Ministry to apprise about the measures envisaged to address this issue.

#### **Reply of the Government**

The Committee has acknowledged that the decline in workforce in cable TV sector is inevitable due to advancement in technology. Further, the workforce in sector is majorly informal.

Nevertheless, this Ministry has taken several steps to ensure growth in the industry, some of these are:

- a) Decriminalization of the CTN Act, 1995 through Jan Vishwas (Amendment of Provisions) Act, 2023 to ensure investors’ confidence.
- b) Allowing sharing of infrastructure vide guidelines dated 29.12.2021 to do away with the need of gigantic investments.
- c) Streamlining MSO Registration renewal process vide amendments in the CTN Rules, 1994 on 18.09.2023 to ensure continuity of business.
- d) Developing regulatory framework for PS channels vide guidelines dated 30.11.2022 thereby recognizing platforms promoting regional content.

These steps are expected to enhance investors’ confidence and streamline the regulatory compliances in the industry thereby increasing the scope of employment opportunities in the sector.

(Ministry of Information and Broadcasting O.M. No.  
N-45007/2/2023-DAS (Part-II) dated 17.01.2025)

## **(Recommendation Sl. No. 11)**

### **Grievance Redressal Mechanism**

The Committee note that 'The Cable Television Networks (Regulation) Act, 1995' addresses grievances and complaints related to contents through a three-level structure: self-regulation by broadcasters, self-regulating bodies, and oversight by the Central Government. The Ministry have informed that with respect to the consumers' complaints against cable operators, a robust mechanism i.e. Centralized Public Grievance Redress and Monitoring System (CPGRAMS) portal is in place. The portal has been updated keeping in mind the exclusive need of consumers in relation to cable TV networks. The portal has stakeholders like TRAI, State Authorities (Authorized Officer and State Police Authorities) etc. to whom the complaints against cable operators can be forwarded to in no time. In addition to this there is a dedicated portal for complaints related to channel pricing, bouquet-related issues, quality-related issues etc. is being operated by TRAI.

The Committee further learnt that the Cable Television Networks Rules, 1994 were amended on 17th June, 2021 so as to provide a statutory mechanism for redressal of grievances/complaints of citizens relating to content broadcast by television channels. As per these Rules, to ensure observance and adherence to the Programme Code and Advertisement Code specified under the Cable Television Networks Rules, 1994, there should be a 3-level structure that is at Level I-self-regulation by broadcaster; at Level II - Self- Regulation by the self-regulating bodies of the broadcasters; at Level III-an oversight mechanism by the Central Government. While noting that 'The Cable Television Networks (Amendment) Rules, 2021, institutionalizes a statutory mechanism for grievance redressal and CPGRAMS portal is in place for consumers' complaints against cable operators, the Committee desire to be kept apprised of the number of grievances addressed at Level I, II and III since 2021. The Committee would also like to be apprised about the cases handled by the dedicated portal operated by TRAI that is meant for complaints related to channel pricing, bouquet-related issues, quality-related issues etc., along with the reasons for delay in addressing the complaints, if any. Nevertheless, the Committee also recommend the Ministry to make the grievance redressal mechanism more consumer friendly and create awareness drive for Consumer about the Grievance Redressal Mechanism that is available as it is very essential for a robust and responsive cable TV eco-system. The Committee would like to be apprised of the progress made in this regard.

### **Reply of the Government**

As regards the number of complaints received at level I, II and III of the grievance redressal structure in the CTN (Amendment) Rules, 2021, it is stated that since 2021 till 24.09.2024, 589 complaints have been referred to Level-I i.e. the broadcasters, 185 complaints have been referred to Level-II i.e. the self-regulatory bodies and Advertising Standards Council of India (ASCI) and 89 complaints have been referred to Level-III i.e. Inter-Departmental Committee (IDC).

(ii) As regards cases handled by TRAI, the recommendations made by the committee were sent to TRAI on 03.04.2024, TRAI vide its letter dated 02.05.2024 had informed that the TRAI Act, 1997 does not envisage handling of individual consumer complaints. Complaints, if any, received in TRAI are forwarded to the concerned service provider for an early resolution. Further, the Interconnection Regulations, 2017 has laid down the provisions for grievance redressal mechanism. Regulation 29 of the said regulations states that the authority may forward the complaints from consumers to the concerned distributor of TV channels. As regard grievance portal, TRAI has deployed an internal

consumer complaint portal through which the complaints received are forwarded to respective service providers. As per the data from portal, during the last one year i.e. from 19.04.2023 to 19.04.2024, 1051 complaints were forwarded to MSOs which are on-boarded on the portal.

(iii) Committee also recommended raising awareness about the existing grievance redressal mechanism to make it more consumer friendly. In this regard, it is stated that the 'Cable Television Networks (Amendment) Rules, 2021' accorded widespread publicity through various forms of media, including print media, electronic, digital and social media. Major newspapers, TV channels, digital news channels and social media handles disseminated the news, informing the public that the Central Govt. has established a statutory 3-tier mechanism to address the grievances and complaints related to TV channel programmes.

(iv) Further, a press release was issued on the same day by the Central Govt. to ensure widespread publicity among general public. A booklet containing press release 'Cable Television Networks (Amendment) Rules, 2021' and Rules at a glance was also published and made available on the official website of the M/o Information and Broadcasting.

(v) In addition to the above, a D.O. letter dated 21.06.2021 was sent from Secretary (I&B) to Chief Secretaries of all states/UTs informing them of the development and urging necessary action. The notification was also circulated to all satellite TV channels and self-regulating bodies such as IBF, NBA and ASCI. All prominent TV channels also ran continuous scrolls at the bottom of their screens to educate and create awareness among the general public regarding grievance redressal mechanism.

(Ministry of Information and Broadcasting O.M. No.  
N-45007/2/2023-DAS (Part-II) dated 17.01.2025)

### **CHAPTER- III**

OBSERVATIONS/RECOMMENDATIONS WHICH THE COMMITTEE DO NOT DESIRE TO  
PURSUE IN VIEW OF THE REPLIES OF THE GOVERNMENT

**-NIL-**

#### **CHAPTER IV**

OBSERVATIONS/RECOMMENDATIONS IN RESPECT OF WHICH REPLIES OF THE GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE COMMITTEE AND REQUIRE REITERATION

**-NIL-**

## **CHAPTER V**

### **OBSERVATIONS/RECOMMENDATIONS IN RESPECT OF WHICH REPLIES OF THE GOVERNMENT ARE INTERIM IN NATURE**

#### **(Recommendation Sl. No. 2)**

##### **Regulation of Cable Television in India**

The Committee note that for regulating cable TV, 'The Cable Television Networks (Regulation) Act 1995 (CTN Act)' and 'The Cable Television Network Rules 1994' have been enacted and they are administered by the Ministry of Information and Broadcasting (MIB). The CTN Act comprises 5 chapters and 24 sections and it includes guidelines for cable networks operating within the country. The Act outlines provisions for mandatory registration of cable operators, categorizing them into Multi-System Operators (MSOs) and Local Cable Operators (LCOs). The Ministry of Information and Broadcasting serves as the registering authority for MSOs whereas the registering authority for LCOs is the Head-Post office of the area in which they intend to operate.

Initially enacted to safeguard subscriber interests and prevent the transmission of content against national interests, the Act has undergone amendments to adapt to evolving technologies and industry dynamics. The recent amendment was done through the Jan Vishwas Act, 2023. On the need for amendment of the CTN Act, 1995, the Ministry have informed that parity with other emerging technologies such as OTT has been the constant demand of the cable TV industry. The differential treatment of the content over different platforms (such as Programme Code and Advertisement Code for TV channels and IT Rules, 2021 for content over the internet) is one of the primary reasons for distinctive features for each of the broadcasting services. The Ministry have also informed that for creating a level playing field for all broadcasting services, the Cable Television Networks (Regulation) Act, 1995 may be amended and there is also a need to address the issues of satellite-based technologies which are being regulated through the old legislation. For this, the Ministry have prepared a draft 'Broadcasting Services (Regulation) Bill, 2023' which was in the public domain to seek comments of stakeholders/general public by 15th January, 2024. According to the Ministry, this proposed legislation aims to serve as a comprehensive framework governing various broadcasting services and emerging technologies.

The Committee further note that as per the notification 'Broadcasting services and cable services to be telecommunications service' made in 2004, the Telecom Regulatory Authority of India (TRAI) is mandated to regulate the Broadcasting and Cable Services. As per the provisions of the TRAI Act, TRAI has two types of functions, that is Regulatory and Recommendatory. The Committee note that the TRAI oversees issues pertaining to tariff, quality of service (QoS), and interconnection arrangements among different service providers in accordance with the TRAI Act of 1997. In March 2017, TRAI notified the Regulatory Framework for 'Digital Addressable Systems' and this framework comprised of (i) The Telecommunication (Broadcasting and Cable) Services (Eighth) (Addressable Systems) Tariff Order (Tariff Order); (ii) The Telecommunication (Broadcasting and Cable) Services Interconnection (Addressable Systems) Regulations, (Interconnection Regulations); and (iii) The Telecommunication (Broadcasting and Cable) Services Standards of Quality of Service and Consumer Protection (Addressable Systems) Regulations, (QoS Regulations).

The Committee note that for regulating the Cable TV industry there are not only multiple Acts, Rules, Guidelines, etc. but there are also multiple regulatory bodies like MIB, TRAI, DoT, etc. For example, MIB serves as the registering authority for MSOs whereas the Head-Post office of the area serves as registering authority for Local Cable Operators. Besides, as submitted by MIB there is an urgent need for creating a level playing field for all broadcasting services as well as for addressing the need of satellite-based technologies which are being regulated through the old legislation. In view of the foregoing, the Committee are of the opinion that the Cable TV industry needs to be regulated through a comprehensive Act and therefore recommend the Ministry to ensure that the proposed 'Broadcasting Services (Regulation) Bill, 2023' sees the light of the day at the earliest since it will go a long way in resolving the concerns of this industry. Nevertheless, the Committee impress upon the Ministry to ensure that adequate consultations are done with all the concerned stakeholders. The Committee recommend that all the aspects concerning the cable industry may be taken into consideration while bringing in the comprehensive Bill. The Committee would further like to engage in constructive discussions regarding the proposed draft legislation at a more mature stage of its formulation. The Committee also desire to be apprised of the timeline by which the Ministry would table the 'Broadcasting Services (Regulation) Bill, 2023' for the consideration of the Parliament. The Committee desire to be apprised of the progress made in this regard.

### **Reply of the Government**

The draft Broadcasting Services (Regulation) Bill, 2023 was placed in public domain on 10.11.2023, seeking views/comments/suggestions of the general public and stakeholders till 09.12.2023 which was later extended upto 15.01.2024. Number of comments were received and series of consultations were done subsequently. Based on the wide range of view expressed during consultations with stakeholders, additional time was provided for comments till 15.10.2024. A fresh draft will be published after detailed consultations.

Concerning the timeline for presenting the draft bill before the Honorable Parliament, it is stated that post completion of consultations with stakeholders, this Ministry shall prepare a draft Cabinet Note on the bill, which will be circulated for Inter-Ministerial consultation. Following this, the draft bill will be submitted for the Cabinet's consideration. This process is expected to take some time. The Committee will be duly informed about the progress of this process.

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N-45007/2/2023-DAS (Part-II) dated 17.01.2025)

### **Comments of the Committee**

**(Please see Para No. 7 of Chapter I)**



### **(Recommendation Sl. No. 3)**

#### **Constraints/Challenges Faced with Respect to Cable TV Regulation in India**

With respect to the major issues concerning various players of the Cable TV industry viz. broadcasters, MSOs, LCOs, consumers, etc, TRAI has submitted that they engage with all the stakeholders regularly from time to time to identify and address the issues. All the issues identified are duly analyzed for wider impact on the sector. The issues requiring changes in policy/regulations are also examined in-depth. They follow an elaborate consultation process before issuing any recommendations/regulations. The issues are submitted by the stakeholders from time to time. In addition, TRAI constituted a committee to deliberate on the issues relating to the sector in November 2021 comprising all stakeholders including representatives of MSOs, DTH service providers, and Broadcasters. As informed to the Committee by All India Digital Cable Federation (AIDCF), some of the concerns related to the Cable industry include a declining subscriber base, exponential increase in the channel prices by misusing their channel pricing freedom by Broadcasters, loss of livelihood of employees in the cable TV sector, etc. The Committee were also apprised of some of the constraints/challenges faced by the Ministry of Information and Broadcasting with respect to cable TV regulation in India include

(i) Under-reporting of subscribers by cable operators leading to tax evasion and submission of inaccurate financial returns; (ii) Absence of robust oversight mechanism at the ground level acting as major roadblock in ensuring compliance to the relevant regulations/guidelines; (iii) Absence of central database for Local Cable Operators because the registration process is offline/manual and all LCOs are currently registered at the local head post office of their area of operations; etc.

The Committee further note the measures/initiatives taken to address the issues concerning various players of the Cable TV industry, TRAI has issued the consultation paper on 'Issues related to New Regulatory Framework for Broadcasting and Cable services' on 7th May 2022 seeking stakeholders' comments. On the basis of this consultation, on 22nd November 2022, TRAI notified the Telecommunication (Broadcasting and Cable) Services (Eighth) (Addressable Systems) Tariff (Third Amendment) Order, 2022 and the Telecommunication (Broadcasting and Cable) Services (Addressable Systems) Interconnection Regulations (Third Amendment) Order, 2022. Further, to address various issues, TRAI issued a consultation paper titled 'Review of Regulatory Framework for Broadcasting and Cable services' on 23rd August 2023 seeking stakeholders' comments. The Committee have been informed that the comments/counter-comments are being analyzed by TRAI. In this regard, the Committee desire to be apprised about the updated status regarding the 'Review of Regulatory Framework for Broadcasting and Cable services' issued on 23rd August 2023 seeking stakeholders' comments along with the outcome on the following measures taken by MIB to ensure the growth of cable TV sector which includes (i) streamlining of procedures for Multi-System Operator (MSO) registration renewal, extending the period to ten years; (ii) Last Mile Access to Broadband service providers; (iii) Regulatory Framework for Platform Services issued on 30.11.2022; (iv) guidelines issued on infrastructure sharing on 29.12.2021, that is permitting Multi-System Operators (MSOs) to share infrastructure, including headends and networks, under specific conditions; (v) streamlining the registration procedure for LCOs, etc.

The Committee further recommend MIB to collaborate with the Ministry of Electronics and Information Technology (Meity) to develop a comprehensive digital solution for addressing underreporting among Cable TV subscribers and the absence of

an oversight mechanism. This solution should include an advanced digital platform with robust data analytics tools to detect and mitigate underreporting, real-time reporting features, standardized data protocols, and regular audits for ongoing effectiveness. The user-friendly interface will facilitate seamless reporting and monitoring, ensuring transparency and accountability within the Cable TV sector.

The Committee would further urge the Ministry to (i) identify and address the issues acting as roadblocks of monitoring mechanism for ensuring compliance to the relevant regulations/guidelines; (ii) have a central database for monitoring cable operators; (ii) take initiatives for making Ministry of I & B as the registering authority for LCOs. The Committee would like to be apprised of the action taken on these issues.

### **Reply of the Government**

The updated status regarding the “review of Regulatory Framework for Broadcasting and Cable services” issued by TRAI on 23.08.2023 for stakeholder’s comments shall be provided by TRAI. As regards other points, the inputs are as follows:

(i) **Streamlining of procedure for MSO registration renewal, extending the period to 10 years:** In this regard, it is stated that this Ministry amended the Cable Television Network Rules, 1994 on September 18, 2023, to include provisions related to the renewal of MSO registration. According to the amendments, MSO registration will be renewed for a period of 10 years. The additional requirements for the renewal process have been duly notified in the amended Rules. To ensure a streamlined renewal procedure, MSOs are instructed to apply for the renewal of their registrations online through the Broadcast Seva Portal.

(ii) **Last Mile Access to Broadband Service Providers:** (a) It is stated that the CTN Rules, 1994 were amended on 18.09.2023 and Rule 5C was added which reads as follows:

***“Cable operators may strive to provide last mile access to broadband service providers providing internet service or access service, in a fair, transparent and Non-discriminatory manner for proliferation of broadband services.”***

(b) In addition to the above, a DO letter dated February 19, 2024, from the Secretary (I&B) was sent to the Department of Telecommunications requesting the exemption of cable operators registered under the Cable Television Networks (CTN) Act, 1995, from the requirements of obtaining a Virtual Network Operator (VNO) license. This exemption was sought to facilitate the proliferation of broadband services, especially in rural areas.

(c) Subsequently, a meeting was organized by this Ministry on 27.06.2024 with the representatives from DoT and LCOs/MSOs. During the meeting, it was informed by DoT that TRAI’s recommendations on rationalization of requirements of VNO license are under consideration in the department. A reminder dated 17.10.2024 was sent to DoT seeking action taken in the matter. In response, DoT vide its DO letter dated 19.11.2024 stated that *“DoT is in the process of framing of Rules under the ambit of Telecommunications Act 2023 pertaining to development, expansion and operation of telecommunication services and telecommunication networks; assignment of spectrum; and for matters connected therewith or incidental thereto. Further, the Department is in the process of evaluating the TRAI recommendations dated 18<sup>th</sup> September 2024 regarding the framework for service authorizations under Section 3(1)(a) of the Act. However, TRAI’s recommendations concerning authorizations under Section 3(1)(b) of the Act are yet to be received. A final decision on the matter will only be taken once the matter has been examined in a holistic manner considering all aspects including its potential impact on the stakeholders and sector as a whole.”*

(iii) **Regulatory framework for Platform Services (PS) issued on 30.11.2022:** This Ministry had issued guidelines for registration of PS channels offered by MSOs on 30.11.2022. The MSOs providing PS channels have been instructed to apply for registration of these services online.

(iv) **Guidelines issued on infrastructure sharing on 29.12.2021 that is permitting MSOs to share infrastructure including headends and networks, under specific conditions:** This Ministry had issued guidelines on 29.12.2021 allowing MSOs to share infrastructure on voluntary basis. This step enables small players to share infrastructure and provide cable TV services without infusing hefty investments in cable infrastructure.

As per the guidelines the MSOs can share infrastructure by submitting an application before the Ministry along with the terms of agreement between them. The sharing is subject to the compliance of terms and conditions of the MSO registrations and TRAI's regulations.

(v) **Streamlining the registration procedure for LCOs:** (a) Currently, the registration of Local Cable Operators (LCOs) is carried out at the Local Head Post Office of the area of operation of the LCO. The registration process is offline due to which LCO face problems.

(b) To address the issues faced by the LCOs, this Ministry is in process of developing an online module (within Broadcast Seva Portal) to carry out registration of LCOs. Currently, the Ministry is at advance stage of implementing online Registration Framework for LCOs. The registration shall be granted for a period of 5 years with PAN India validity. The registering authority for LCO shall be designated Section Officer in the Ministry.

(vi) The Committee also recommended collaboration with Meity to develop a comprehensive digital solution for addressing underreporting among cable TV subscribers and absence of oversight mechanism. In this regard, it is stated that a Cable Television Monitoring Cell (CTMC) is proposed to be setup in the Ministry to ensure that MSOs furnish their subscriber data regularly to the Ministry. It has also been proposed to provide a digital solution i.e. monitoring devices that shall be installed at the premises of MSOs and would ensure transparency and accountability in the Cable TV sector.

(vii) Further, it is stated that this Ministry is working actively to identify and address the roadblocks of monitoring mechanism to ensure compliance to the extant regulations/guidelines.

(viii) Furthermore, this Ministry published a "National Register of LCOs" on Broadcast Seva Portal on 22.02.2024 to assign a National Registration Number to each LCO and compile the National register of LCOs. This register will provide the details of LCOs to all the stakeholders to connect to them for cable services/broadband services. The register is being updated timely by this Ministry.

(Ministry of Information and Broadcasting O.M. No. N-45007/2/2023-DAS (Part-II) dated 17.01.2025)

### **Comments of the Committee**

**(Please see Para No. 10 of Chapter I)**

### **(Recommendation SI. No. 4)**

#### **Role of TRAI**

The predominant business model used in the Indian Cable TV Industry is based on the subscription model. This means that customers are required to pay a subscription

fee to access a range of TV channels and programs. This fee is collected by Local Cable Operators (LCOs) or Multi-System Operators (MSOs) who then distribute the revenue generated to various parties as per the terms agreed upon in interconnection agreements. The interconnection agreements are contracts executed between the MSOs, LCOs, and broadcasters. The revenue distribution is based on a pre-agreed percentage split, which is typically determined based on various factors such as the number and type of channels offered, the customer base, and other related factors. The revenue share is typically distributed in proportion to the value provided by each party in the delivery of TV services. The Committee have been informed that cable TV pricing is regulated by the Telecom Regulatory Authority of India (TRAI) under the framework known as the 'New Tariff Order' (NTO) and the latest order *i.e.* NTO 3.0 was introduced in 2022 to bring transparency and flexibility to cable TV pricing for consumers. Under NTO, the key points of the pricing policy include (i) Channel Pricing; Channel Bouquet Pricing; Network Capacity Fee (NCF) and MRP (Maximum Retail Price).

With respect to measures taken by TRAI to control and monitor pricing and tariffs for cable TV subscribers, TRAI has informed that the framework was successful in establishing harmonized business processes in the sector, level playing field, bringing transparency in TV channel pricing, reducing litigations among stakeholders and providing equal opportunities to smaller Multi System Operators (MSOs). However, after a market survey in July-August 2019, the Authority considered it expedient to review some provisions, and, after due consultation amendments to the Regulatory Framework 2017 were notified on 1st January 2020. However, the provisions related to the revision of television channels' prices in compliance with the January 2020 amendments could not be implemented due to the legal challenge and the Authority issued a letter dated 12th October 2021 to the broadcasters seeking compliance with all the provisions of amended Regulatory Framework 2020 as upheld by Hon'ble Court of Bombay within 10 days. Consequently, most of the broadcasters submitted their Reference Interconnect Offers (RIOs) to TRAI in line with the amended Regulatory Framework 2020 and published these on their websites in November 2021. As per RIOs filed by the broadcasters in November 2021, the new tariffs reflected a common trend *i.e.*, the prices of their most popular channels including sports channels were enhanced beyond Rs. 19/- per month. Immediately after new tariffs were announced by the broadcasters, TRAI received representations from Distribution Platform Operators (DPOs), Associations of Local Cable Operators (LCOs), and Consumer Organizations stating that the new tariffs as announced by broadcasters would cause a huge increase in consumer payout and will also entail wide-scale changes necessitating large scale implementation efforts.

TRAI also informed the Committee that DPOs (including All India Digital Cable Federation) highlighted difficulties likely to be faced by them in implementing new rates in their IT systems and migrating the consumers in bulk to the new tariff regime through the informed exercise of options, impacting almost all bouquets, due to upward revision in the rates of pay channels and bouquets. To deliberate on the various issues related to the implementation of the amended Regulatory Framework 2020 and suggest a way forward, a committee consisting of members from the Indian Broadcasting & Digital Foundation (IBDF), All India Digital Cable Federation (AIDCF) & DTH Association was constituted under the aegis of TRAI. To address the critical issues as identified by stakeholders, the Authority, after due consultation, notified the amendments, on 22<sup>nd</sup> November 2022. The amendments have been duly implemented in January/ February 2023. The said amendments dated 22<sup>nd</sup> November 2022 were challenged by one of the stakeholders in the Hon'ble High Court of Kerala. The amendments were upheld by the Hon'ble Court. Further, according to TRAI Consumers are greatly empowered by the Regulatory Framework. A consumer becomes the real decision maker of what she/he

views and has complete freedom to choose what he/she wishes to watch and pay only for that. The price of every television channel is clearly visible in the Electronic Program Guide on television. The consumer is not required to pay any subscription fee for an FTA channel if she/ he subscribes to one. The amendments of January 2020 have increased the number of SD channels from 100 to 200 in the Network Capacity fee (NCF) of a maximum of Rs. 130/- per month. Now NCF for 2nd TV connection (or subsequent connections) is not more than 40% of declared NCF per additional TV.

On the decision of TRAI to not place a cap on channel pricing based on derived costing methodology for the benefit and protection of consumers, TRAI submitted that a channel consists of several programs. The cost of the production of different programs drastically varies based on the actors, setup cost, script, copyrights, and other miscellaneous factors. The various programs in a given channel also frequently change based on their Television Rating Points (TRP), advertisement potential, and other ground reports. Hence, determining the cost of production of a channel at all times is an extremely difficult process, perhaps almost impossible. They also stated that Broadcasters should be given business flexibility to monetize their channels.

Further, due to conflicting positions presented by AIDCF and TRAI during the deliberations, the Committee urged both parties to engage in constructive dialogue and enhance mutual understanding before presenting their respective facts to the Committee. The Committee express disappointment at TRAI's decision to instruct AIDCF to address pricing policy discrepancies without holding a meeting. Despite the Committee's clear directive, TRAI has persistently refused to engage with AIDCF. The Committee emphasized that fostering harmonious relations between the parties is crucial for achieving an amicable solution, but unfortunately, this collaborative approach has not been observed. The Committee acknowledge the complexity involved in determining channel pricing due to various factors influencing costing. Nevertheless, it emphasizes that TRAI holds a shared responsibility to ensure consumers receive services at a fair price. The Committee further recognized the paramount importance of providing consumers with good Quality-of-Service (QoS) under all circumstances. Given TRAI's pivotal role in fostering a healthy and competitive telecommunications and broadcasting ecosystem, the Committee recommend a collaborative effort among all stakeholders to address all the issues amicably as it encourages parties to engage in constructive discussions, find mutually agreeable solutions, and take necessary actions to deliver optimal services to consumers. The Committee desire to be apprised regularly of the updates on the progress made in this regard.

### **Reply of the Government**

The recommendation made by the Committee was forwarded to TRAI for taking necessary action and submit comments vide letter dated 03.04.2024. TRAI vide its letter dated 02.05.2024 has informed that it has noted the issue for further consideration.

Further, the subject matter falls under the administrative domain of TRAI, no action is required on part of this Ministry.

(Ministry of Information and Broadcasting O.M. No.  
N-45007/2/2023-DAS (Part-II) dated 17.01.2025)

### **Comments of the Committee**

**(Please see Para No. 17 of Chapter I)**

## **(Recommendation Sl. No. 5)**

### **Enhanced Flexibility to Curate Personalized Packages from Bouquets**

The Committee note that the central concern within the purview of Cable TV Regulations pertains to the prevalent practice of Broadcasters implementing substantial discounts in the pricing of their bouquets while maintaining elevated individual prices for a-la-carte channels. The Committee was informed by AIDCF that TRAI has given complete forbearance to Broadcasters to price their channels at any level (except for a notional capping at Rs. 19 if the channels are to be included in Bouquet). This is being misused by Broadcasters, as they have significantly increased their Pay TV channel Prices by up to 600% after the implementation of the New Tariff Order in 2019 and a further hike of up to 200% in some cases after the implementation of NTO 3.0, by force bundling all their channels, which is eventually becoming a burden on Pay TV subscriber. According to AIDCF, the Broadcaster makes a bouquet of channels (which include one or two driver channels and about 7-8 unpopular channels) and demands MSOs and DTH players to sell the same bouquet to a minimum of 90% of the subscriber base without breaking the bouquet. MSO does not get the incentive if 90% of subscribers do not subscribe to the bouquet intact. This means a common man pays for 7-8 unwanted channels which include English channels, sports channels (which have important events only 2-3 months in a year). AIDCF also submitted that the Cable TV monthly prices for the consumers have significantly increased from Rs. 200-300 in 2017-18 to Rs. 350-450 in 2022-23; DPOs are forced to sell Broadcaster's bouquets and A-la-carte prices of the channel are artificially hiked, so that consumer is also forced to purchase bouquets only. They have also stated that the TRAI consultation paper in 2019 have pointed out this, but no action was taken to correct it.

The Committee discern that, since DPOs are the primary service providers operating through Local Cable Operators (LCOs), therefore, the DPOs are strategically positioned to perceive and respond to the nuanced preferences and requirements of subscribers. The Committee acknowledge that the current practice of compelling subscribers to opt for predefined bouquets offered by Broadcasters acts as a hindrance to consumer choice. While the Committee do not question the Broadcasters' intent, it perceives that this practice does not align with the interests of consumers. Therefore, in order to safeguard consumer interests and promote freedom of choice, the Committee recommend that Distribution Platform Operators (DPOs) be granted the authority to select individual channels from broadcasters' bouquets. Further, in order to ensure that consumers have the flexibility to subscribe only to channels of their interest, fostering a more personalized viewing experience, the Committee recommend that DPOs should only be permitted to choose channels based on consumer preferences and remit to broadcasters the proportional price of the selected channels. The Committee wish to be apprised of the action taken in this regard.

### **Reply of the Government**

The Committee recommended that DPOs may be granted authority to select individual channels from broadcasters' bouquet on the basis of consumer preferences. The proportional prices of these channels are to be remitted to broadcasters by them.

In this regard, it is submitted that MIB had already sent a reference to TRAI for recommendation on the matter under Section 11(1)(a)(iv) of the TRAI Act, 1997 on 06.09.2023.

In addition to the above, the report of the Standing Committee was sent to TRAI vide this Ministry's letter dated 03.04.2024. TRAI vide letter dated 02.05.2024 has informed that it has noted the issue for further consideration.

Further, the subject matter falls under the administrative domain of TRAI, no action is required on part of this Ministry.

(Ministry of Information and Broadcasting O.M. No. N-45007/2/2023-DAS (Part-II) dated 17.01.2025)

**Comments of the Committee**

**(Please see Para No. 17 of Chapter I)**

**(Recommendation Sl. No. 6)**

**Demarcation in the Advertising Guidelines Between Pay TV and FTA Channels**

During the deliberation of the Committee, the stakeholders submitted that Broadcasters push their non-driver channels by bundling them with 'driver channels' to earn advertisement revenues. The Committee were further informed that the 'Pay TV' channels are showing a plethora of advertisements, despite charging hefty subscription fees from subscribers. It was further stated that establishing a clear demarcation in the advertising guidelines between Pay TV and FTA channels is in the interest of the consumer. The Committee consider that there is a need for a thoughtful examination of such issues to safeguard consumer interests. The Committee, therefore, call upon for a categorization of channels as either 'Pay-TV' or 'Free-to-air' (FTA), based on the respective sources of revenue. The Committee, therefore, recommend for initiating a comprehensive consultation focused on the costing methodology of TV channels. This consultation should also aim to tackle the issue where consumers, who are essentially paying subscription fees, find themselves subjected to advertisements for a significant duration of their viewing experience.

**Reply of the Government**

This Ministry has sent a copy of the report to TRAI vide letter dated 03.04.2024. TRAI vide its letter dated 02.05.2024 has informed that it has noted the issue for further consideration.

Further, the subject matter falls under the administrative domain of TRAI, no action is required on part of this Ministry.

(Ministry of Information and Broadcasting O.M. No. N-45007/2/2023-DAS (Part-II) dated 17.01.2025)

**Comments of the Committee**

**(Please see Para No. 17 of Chapter I)**

## **(Recommendation Sl. No. 7)**

### **Issues related to AGR Demand**

With respect to 'Adjusted Gross Revenue Demand' (AGR), AIDCF have informed that Department of Telecommunication has raised wrongful demand to the tune of Rs. 7,000 crore on Cable TV operators /MSOs by computing license fee on their Cable TV revenues (which do not come under the ISP license as MSOs operate under registration from Ministry of Information and Broadcasting), whilst license fee on the pure internet services itself was exempt under DOT License. It was also stated that several MSOs received the demand retrospectively with huge penalty and interest on Penalty based on wrong interpretation of the Hon'ble Supreme Court order delivered on 24.10.2019, in Union of India vs. Association of Unified Telecom Service Providers of India, (2020) 3 SCC 525 (hereinafter referred to as "AGR Judgment") in which MSOs are not at all parties and the ISP license/Unified License under which they operate is different from UAS license. The amount is so large that the MSOs will be pushed to bankruptcy.

AIDCF have also informed that the demands raised by the DoT are unsustainable because the ISP licenses issued to MSOs are different from the UAS License considered by the Hon'ble Supreme Court in the AGR Judgment. In 1999, UAS license holders requested the Government for a migration package from a Fixed license fee to a license fee as a revenue share as they were not able to pay huge, fixed fees. MSOs are not covered by such a migration package. MSOs were never in the actual business of providing mobile services to the public like the parties before the Hon'ble Supreme Court. Two businesses - Cable TV and Internet Services - are under two different ministries, i.e., the Ministry of Information and Broadcasting and the Department of Telecommunication, respectively, and under different licenses. When the DoT were asked to provide a detailed account of the demands for license fees raised by the DoT on Multi System Operators (MSOs) for simultaneously offering internet services under Internet service provider licenses and the reasons for the demands, they informed that they grant licenses under section 4 of Indian Telegraph Act 1885 to offer various telecommunication services including Internet services. Any company that proposes to offer Internet services is required to obtain the Internet Service provider license granted by DoT. It was further added that the matter is still sub judice and the next hearing of the case is on 23.01.2024. Since the matter is sub judice, the Committee would not like to furnish its comment at this stage, however, the Committee desire to be kept apprised about the development on this issue.

### **Reply of the Government**

The issue related to alleged wrongful demand on Adjusted Gross Revenue (AGR) by Deptt. of Telecommunications is pending before Hon'ble Telecom Disputes Settlement and Appellate Tribunal. This Ministry has requested the DoT to periodically apprise the status to the Committee vide letter dated 03.07.2024.

(Ministry of Information and Broadcasting O.M. No.  
N-45007/2/2023-DAS (Part-II) dated 17.01.2025)



## **(Recommendation Sl. No. 10)**

### **Impact of OTT Platforms on the Cable TV**

The Committee note that the emergence of Over-The-Top (OTT) platforms has brought about significant transformations in India's cable TV industry, impacting both regulatory frameworks and market dynamics. Since OTT platforms offer cost-effective access, on-demand content and flexibility, it has led to eroding of the market share of traditional cable TV services. The entry of global players into the Indian market has also added to the competition, as they can invest significantly in content creation and distribution, posing a substantial challenge to cable TV operators. While cable TV is governed by established regulations such as the Cable Television Networks (Regulation) Act, 1995 and the Telecom Regulatory Authority of India (TRAI) Act, 1997, OTT platforms have largely operated outside these regulations and they fall under the 'Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021'. Content regulation differs as well, with cable TV subject to the Programme Code and Advertisement Code, whereas for OTT platforms there is the 'IT Rules, 2021' and content regulation on OTT faces controversy due to concerns about objectionable material.

Elaborating on the strategies that were being implemented by the Ministry to ensure content parity between OTT applications, Cable TV, and DTH subscribers, the Ministry informed the Committee that the content provided on linear broadcasting (Cable TV, and DTH subscribers) and on-demand platforms like OTT is treated differently owing to the expressed consent and desire of consumers exercised while accessing the on-demand platforms. However, the draft 'Broadcasting Services (Regulation) Bill, 2023' which intends to bring on-demand platforms like OTT which has been prepared is also under its preview. A single legislation and apex self-regulation body named Broadcast Advisory Council (BAC) is expected to bring reasonable parity on content while respecting the differences in the nature of broadcasting. To bring OTT application services within the scope of the Cable Television Networks Regulation Act, 1995, and 'The Cable Television Networks Rules, 1994', or other content regulations, the Committee note that the MIB have prepared the draft Broadcasting Services (Regulation) Bill, 2023. The Committee hope that this legislation would act as an umbrella legislation for the Broadcasting Services as it aims to cover online curated content (for example OTT) and publisher of news under its ambit.

The Committee further observe that there is a need to rectify the existing disparity between Cable TV and OTT Platforms. With the aim of eliminating content disparities across various content delivery platforms, the Committee recommend the Ministry to enact a comprehensive regulatory framework. This framework should compel Broadcasters to make their content accessible on all available platforms, ensuring a level playing field for cable television and analogous technologies. Such measures, would aid in promoting fairness, diversity, and accessibility in the content distribution landscape, benefiting both consumers and industry stakeholders. The Committee further expect that the issue related to content parity will be resolved at the earliest.

### **Reply of the Government**

The Committee has recommended enacting a comprehensive regulatory framework to compel broadcasters to make their content accessible on all available platforms, ensuring a level playing field for cable television and analogous technologies.

In this regard, the differential availability of content over Cable TV and OTT platforms may be attributed to their different operational model. OTT platforms provide content which is selected by the subscriber thereby making it a “on-demand” scenario. On the other hand, content over Cable TV do not undergo such selection and is PUSH towards subscriber.

Nevertheless, the draft Broadcasting Services (Regulation) Bill, 2024 aims to bring OTT services under its purview. The OTTs and other services are also aimed to be brought under the purview of broadcasting code proposed under the draft Bill.)

(Ministry of Information and Broadcasting O.M. No.  
N-45007/2/2023-DAS (Part-II) dated 17.01.2025)

**NEW DELHI;**  
**07 March, 2025**  

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**16 Phalguna, 1946 (Saka)**

**DR. NISHIKANT DUBEY,**  
**Chairperson,**  
**Standing Committee on**  
**Communications and Information Technology**

**STANDING COMMITTEE ON COMMUNICATIONS AND  
INFORMATION TECHNOLOGY  
(2024-25)  
MINUTES OF THE FIFTEENTH SITTING OF THE COMMITTEE**

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The Committee sat on Wednesday, the 05 March, 2025 from 1100 hours to 1346 hours in Main Committee Room, Parliament House Annexe, New Delhi.

**PRESENT**

**DR. NISHIKANT DUBEY- Chairperson**

**MEMBERS**

***Lok Sabha***

2. Shri Anil Baluni
3. Dr. Rabindra Narayan Behera
4. Shri Appalanaidu Kalisetti
5. Shri Arun Kumar Sagar
6. Shri Vishnu Datt Sharma

***Rajya Sabha***

7. Shri Saket Gokhale
8. Shri V. Vijayendra Prasad
9. Shri S. Niranjana Reddy
10. Shri Kartikeya Sharma
11. Shri Lahar Singh Siroya
12. Shri K.T.S. Tulsi

**SECRETARIAT**

- |    |                     |   |                  |
|----|---------------------|---|------------------|
| 1. | Shri Y.M. Kandpal   | - | Joint Secretary  |
| 2. | Smt. A. Jyothirmayi | - | Director         |
| 3. | Shri Amrith Kumar   | - | Deputy Secretary |

2. At the outset, the Chairperson welcomed the Members to the Sitting of the Committee convened to consider and adopt Two draft Action Taken Reports i.e. Fifty-fourth and Fifty-sixth Reports (17<sup>th</sup> Lok Sabha) relating to the Ministry of Electronics and Information Technology and Ministry of Information and Broadcasting respectively under the jurisdiction of Committee and to have briefing on the subject 'Impact of Emergence of Artificial

Intelligence and related issues' relating to the Ministry of Electronics and Information Technology.

3. The Committee, then, took up the following two draft Reports for consideration and adoption:-

- (i) Draft Report on Action Taken by the Government on the Observations/Recommendations of the Committee contained in their Fifty- sixth Report (17<sup>th</sup> Lok Sabha) on "Regulation of Cable Television in India" relating to the Ministry of Information and Broadcasting.
- (ii) Draft Report on Action Taken by the Government on the Observations/Recommendations of the Committee contained in their Fifty- fourth Report (17<sup>th</sup> Lok Sabha) on "Digital Payment and Online Security Measures for Data Protection" relating to the Ministry of Electronics and Information Technology.
- (iii) XXXX....XXXX..... XXXX....XXXX..... XXXX....XXXX..... XXXX....XXXX
- (iv) XXXX....XXXX..... XXXX....XXXX..... XXXX....XXXX..... XXXX....XXXX
- (v) XXXX....XXXX..... XXXX....XXXX..... XXXX....XXXX..... XXXX....XXXX

4. The Committee adopted the Reports without modifications.

5. The Committee authorized the Chairperson to finalize the draft Action Taken Reports and present the same to the House during the current Session of Parliament.

6. XXXX....XXXX..... XXXX....XXXX..... XXXX....XXXX..... XXXX....XXXX

**The Committee, then, adjourned.**

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XXXX....XXXX    Matter not related to the Report.

**ANALYSIS OF ACTION TAKEN BY THE GOVERNMENT ON THE OBSERVATIONS/  
RECOMMENDATIONS CONTAINED IN THEIR FIFTY-SEVENTH REPORT**

(SEVENTEENTH LOK SABHA)

**[Vide Paragraph No. 5 of Introduction]**

(i) Observations/Recommendations which have been accepted by the Government	
Rec. Sl. Nos.: <b>1,8,9 and 11</b>	
<b>Total</b>	<b>04</b>
<b>Percentage</b>	<b>36.36</b>
(ii) Observations/Recommendations which the Committee do not desire to pursue in view of the replies of the Government	
Rec. Sl. No.: <b>NIL</b>	
<b>Total</b>	<b>NIL</b>
<b>Percentage</b>	<b>0</b>
(iii) Observations/Recommendations in respect of which replies of the Government have not been accepted by the Committee and require reiteration Rec. Sl. No.: <b>NIL</b>	
<b>Total</b>	<b>NIL</b>
<b>Percentage</b>	<b>0</b>
(iv) Observations/Recommendations in respect of which the replies of the Government are of interim in nature	
Rec. Sl. Nos.: <b>2, 3, 4, 5, 6, 7 and 10</b>	
<b>Total</b>	<b>07</b>
<b>Percentage</b>	<b>63.64</b>