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October 14, 2025

Dr. Deepali Sharma,
Advisor (B&CS)
The Telecom Regulatory Authority of India,
World Trade Centre,
4th, 5th, 6th & 7th Floor, Tower F,
Nauroji Nagar,
New Delhi – 110029

Re: TRAI's Draft Regulations F. No. RG-1/1/(1)/2025-B AND CS(2) dated September 22, 2025.

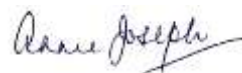
Subject: Draft Telecommunication (Broadcasting and Cable) Services Interconnection (Addressable Systems) (Seventh Amendment) Regulations, 2025

Dear Madam,

Attached please find NBDA's preliminary submissions on the Draft Telecommunication (Broadcasting and Cable) Services Interconnection (Addressable Systems) (Seventh Amendment) Regulations, 2025.

Thanking you,

Yours Faithfully,



Annie Joseph
Secretary General

Encl: As Above

CC : Mr. Rajat Sharma, President NBDA

NBDA's Preliminary Submissions on the Draft Telecommunication (Broadcasting and Cable) Services Interconnection (Addressable Systems) (Seventh Amendment) Regulations, 2025

News Broadcasters and Digital Association ("NBDA") is the premier representative body of 24x7 television broadcasters and digital media entities/platforms that broadcast and/or publish news and current affairs programmes and content. NBDA represents several important and leading national and regional private news and current affairs broadcasters/publishers who run news channels and digital platforms in Hindi, English and Regional languages.

On behalf of its Members, NBDA respectfully submits its preliminary feedback on the Draft Telecommunication (Broadcasting and Cable) Services Interconnection (Addressable Systems) (Seventh Amendment) Regulations, 2025 (**Draft Amendment**).

While NBDA acknowledges TRAI's intent to address certain industry issues, it submits that the Draft Amendment, in its current form, is procedurally improper, substantively regressive, and jurisdictionally flawed. It dismantles crucial existing rights and introduces an unworkable, bureaucratic framework that will destabilize the sector.

NBDA strongly urges TRAI to withdraw the Draft Amendment and address these matters within a comprehensive, holistic review of the entire regulatory framework, as was previously suggested by TRAI itself.

Its submissions on the Draft Amendment are as follows.

1. Procedural Impropriety and Regulatory Fragmentation

The current consultative exercise is fundamentally flawed. By severing the interrelated issues of audit regulations, the audit manual, and infrastructure sharing, TRAI has initiated a piecemeal amendment process. This approach contradicts the integrated nature of the preceding Consultation Paper dated August 9, 2024 (**Consultation Paper**) and prevents stakeholders from conducting a meaningful assessment of the proposals' cumulative impact.

Proceeding with this fragmented amendment when a holistic review of the entire regulatory framework is imminent, is both counter-intuitive and inefficient. It fosters regulatory uncertainty and risks creating disjointed interventions that will require subsequent correction. Therefore, TRAI is requested to kindly subsume this entire exercise into the forthcoming comprehensive review to ensure a coherent, stable, and predictable regulatory environment.

2. Unilateral Abrogation of the Broadcaster's Inherent Right to Audit

One of the most alarming proposals in the Draft Amendment is the effective abrogation of the broadcaster's direct and inherent right to audit a Distribution Platform Owner (**DPO**) under Regulation 15(2). The Draft Amendment seeks to replace this fundamental commercial right with a labyrinthine, multi-stage narrow challenge audit process under TRAI's oversight. This transforms a clear-cut right into a conditional, limited permission, subject to TRAI's subjective approval. Further, the right of broadcasters to conduct a DPO audit should not be limited unnecessarily.

This move is in direct contravention of the legal principles established by the Hon'ble Telecom Disputes Settlement and Appellate Tribunal (**Hon'ble TDSAT**), which has unequivocally held that the broadcaster's right to audit "*does not and should not require any contest or legal dispute*". The Draft Amendment forces broadcasters into precisely such a contest.

The proposed multi-staged process introduces inordinate delays, expectedly varying from four to six months, before a limited audit can even commence. Such a delay renders the audit mechanism completely ineffective as a tool for timely revenue assurance, and critically, as a deterrent against piracy. It is a framework designed to defeat and systematically disempower broadcasters, even though their revenue is at risk. The menace of under-reporting and piracy not only hurts the broadcasters but also equally hurts the viewers, who make monthly payments towards the pay channels subscribed to by them. This also leads to revenue loss to the government. All this creates an unhealthy environment, which is not good for the entire industry. Hence, NBDA vehemently opposes this and calls upon TRAI to retain and, in fact, strengthen the audit rights under the regulations as interpreted by the Hon'ble TDSAT and introduce measures which enhance the truthfulness, credibility and veracity of the CAS/SMS systems.

3. Interference in rights of service providers to approach Hon'ble TDSAT and encroachment upon Hon'ble TDSAT's Jurisdiction

The Draft Amendment proposes that TRAI will '*examine the case on merits*' to decide whether a limited broadcaster-led special audit is permissible. This is a clear and impermissible interference with the rights of service providers to approach Hon'ble TDSAT. Further, this is also an encroachment upon the judicial function exclusively vested in the Hon'ble TDSAT by the TRAI Act, 1997 (as amended in 2000), and not TRAI.

The statutory architecture of the TRAI Act delineates a clear separation of powers where TRAI's role is legislative and regulatory, while TDSAT's is adjudicatory. By positioning itself as the arbiter of disputes between service providers, TRAI may be deemed to be usurping a judicial function, which it is not empowered to perform. This not only creates a direct conflict of interest, where the rule-maker also acts as the judge, but it also introduces a superfluous and dilatory layer of litigation. Any decision by TRAI will invariably be appealed before the Hon'ble TDSAT, entangling TRAI and stakeholders in protracted legal battles on audit-related issues. This proposal is *ultra vires* the TRAI Act and must be removed.

4. Flawed and Prejudicial Auditor Selection Process

The proposed mechanism for auditor selection is paradoxical and inequitable. It places immense trust in the DPOs while displaying a profound lack of faith in the broadcasters seeking to verify their revenue.

- (a) **Discriminatory Treatment:** A DPO can unilaterally (i.e., without any reference to broadcaster or TRAI) appoint any auditor of its choice from the list of TRAI empanelled auditors for its annual audit, despite the historical failure of such audits to uncover major discrepancies. Conversely, when a broadcaster initiates a challenge audit, its right to select an auditor is severely constrained, with the DPO being granted a *de facto* veto over the proposed names, and in case of a deadlock, the decision will be taken by TRAI. Interestingly, while a certificate from an empanelled auditor on the lack of conflict of interest with DPO is sufficient in case of DPO-caused audit however, such a certificate does not seem to be sufficient in case of broadcaster audit. This squarely rewards the party in a potential position of non-compliance (DPOs) and penalizes the party seeking accountability (broadcasters).
- (b) **Preferential Endorsement of BECIL:** The specific and repeated inclusion of M/s. Broadcast Engineering Consultants India Limited (BECIL), in the Draft Amendment, is inappropriate and creates a perception of preferential treatment. All TRAI-empanelled auditors should be treated equally. This

implicit endorsement, specially in the Fourth Proviso to Regulation 15(2)(a) in Draft Amendment (that mandates BECIL as one of the auditors to be proposed by broadcasters to DPOs), reflects preferential treatment towards BECIL as well as distorts the level playing field and undermines confidence in the impartiality of the empanelment process.

The right to select an auditor for a broadcaster-initiated audit must lie solely with the broadcaster.

5. Premature and Un-analyzed Infrastructure Sharing Proposals

The Draft Amendment introduces a framework for infrastructure sharing without any foundational, evidence-based analysis. No cost-benefit analysis, study of potential misuse scenarios, or assessment of technical compliance levels has been shared with stakeholders. To legislate in such an empirical vacuum is to invite systemic vulnerabilities.

Specifically, the provisions on watermarking are dangerously weak. The use of the term "**preferably**" in relation to the visibility of logos is fatally ambiguous and creates an unenforceable standard. For anti-piracy efforts to be effective, it must be **mandatory** for the logos of the broadcaster, the infrastructure provider, and the last-mile DPO to be clearly and non-overlappingly visible on the end-user's screen. NBDA strongly recommends that this framework be deferred until a thorough, transparent "regulatory sandboxing" exercise is completed to test its practical viability and security.

6. Unconditional exemptions for small DPOs

While it is not opposed in principle to easing the compliance burden on genuinely small operators, the unconditional audit exemption for DPOs with fewer than 30,000 subscribers could lead to revenue leakage and piracy.

NBDA requests that the exemption should be accompanied by certain safeguards, such as the mandatory submission of weekly raw data from SMS/CAS systems for verification and an undisputed right for broadcasters to audit these exempted DPOs. The Draft Amendment has adopted the threshold while ignoring essential safeguards.

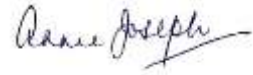
7. Conclusion:

In summary, the Draft Amendment follows a procedurally improper, fragmented approach and attempts not only to strip the broadcasters of their right to audit, but also lacks an effective mechanism to curb the practices of under-reporting and piracy. It represents an interference with the rights of service providers to approach Hon'ble TDSAT as well as an encroachment upon Hon'ble TDSAT's jurisdiction. The Draft Amendment also establishes a discriminatory and unworkable audit framework. It introduces significant un-analyzed risks through premature infrastructure sharing and unconditional DPO exemptions, without adequate safeguards. Unfortunately, the proposed changes attempt to solve problems by taking away the rights of broadcasters as well as the remedies that may be otherwise available to them. In view of the above, NBDA respectfully and urgently prays that TRAI may kindly:

- (a) withdraw the Draft Telecommunication (Broadcasting and Cable) Services Interconnection (Addressable Systems) (Seventh Amendment) Regulations, 2025 in its entirety, and

- (b) subsume the review of audit and related matters into the forthcoming holistic review of the entire broadcasting and cable services regulatory framework.

NBDA would remain available for any further discussions or clarifications at TRAI's request.



Annie Joseph
Secretary General

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