Monthly Policy Brief

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IN THIS ISSUE

01 Digital Advertisement Policy

Enabling wider government outreach

A growing number of Indians are now linked to the internet and engaged with various social and digital media platforms. According to the Telecom Regulatory Authority of India (TRAI) internet penetration in India has surpassed 880 million. Therefore, the utilization of digital advertisements for efficient delivery of ads is of umpteenth importance.

The prompt sharing of relevant information facilitates increased citizen participation in policy consultations. This, in turn, contributes to the development of more effective citizen-centric policies and schemes. In line with this, the Digital Advertisement Policy aims to empower the Central Bureau of Communication to enhance the digital engagement of the Government of India. It aims to enhance the dissemination of information and streamline feedback mechanisms, fostering improved communication between the government and its citizens.

Key Features:

- Expanded Empanelment: CBC now has gained the authority to enlist agencies and organizations in OTT and Video on Demand, as well as Digital Audio platforms like Podcasts. The empanelment process for Internet Websites is also rationalized, and CBC will now have the authority for channelizing public service campaign messages on mobile applications.
- Streamlined Advertising Process: The policy simplifies the procedure for placing government advertisements on these platforms. Empowers CBC to empanel Digital Media Agencies for enhanced outreach across various platforms.
- Adaptability to Digital Dynamics: The policy acknowledges the dynamic nature of the digital landscape and enables CBC onboard new and innovative communication platforms in the Digital Space with committee approval.
- Competitive Bidding for Rate Discovery: The policy introduces competitive bidding to determine advertising rates. This move aims to ensure transparency and efficiency in the rate discovery process. The rates established will be valid for three years, applicable to all eligible agencies

Our Take - Why is this Important?

The policy aligns government messaging with digital audience preferences, ensuring effective resonance across diverse platforms. Streamlining the advertising process enhances information dissemination efficiency, strategically optimizing outreach through CBC's empowerment to empanel Digital Media Agencies. This policy move enables targeted message delivery and cohesive coordination across digital channels.

Crucially recognizing the dynamic digital landscape, the policy facilitates adaptability by onboarding innovative communication platforms. This forward-thinking approach allows the government to stay current with emerging trends. However, challenges may arise in navigating the rapidly evolving digital ecosystem, requiring continuous assessment and adjustment of strategies.

Moving forward, the government can further optimize digital communication by incorporating interactive content, prioritizing enhanced cybersecurity measures, enable continuous training for officials and community-driven initiatives will further strengthen the government's dynamic and effective approach to digital engagement.

02 Draft Broadcasting Services (Regulation) Bill, 2023

Decoding the Draft Bill: A First Glance

The draft Broadcasting Services (Regulation) Bill, 2023 was released by the Union Ministry of Information and Broadcasting on November 10, 2023. This draft aims to offer a cohesive legal framework for diverse broadcasting services and replace the existing fragmented regulatory framework. It was made available for public consultation and feedback, with submissions required by December 9, 2023.

The policy aims to:

- Replace the existing Cable Television Networks (Regulation) Act, 1995
- Develop a consolidated Legal Framework for the entire Broadcasting sector including radio, DTH, IPTV, OTT, and various integrated models.

The draft Broadcasting Services (Regulation) Bill encapsulates the following key highlights:

- Regulatory Consolidation and Modernization; encompassing oversight of OTT content, digital news, and current affairs
- Adapting definitions to evolving technologies
- Self-regulation and Governance; introduction of a three-tiered regulatory system
- Establishment of Content Evaluation Committees for adherence to differentiated Programme Code and Advertisement Code
- Replace the existing Inter-Departmental Committee with the Broadcast Advisory Council
- Accessibility measures for persons with disabilities
- Enforcement and Compliance; imposing advisory, warning, censure, or monetary penalties on operators and broadcasters
- Equitable and Fair Regulations; considering the investment and turnover of companies
- Infrastructure Management and Dispute Resolution

Our Take - Why is this Important?

In response to the transformative technological advancements, the Draft Broadcasting Services (Regulation) Bill, of 2023, marks an important moment in the regulatory landscape of India's broadcasting services, addressing the need for a comprehensive legal adaptable framework.

The bill has sparked intense criticism and discussions, particularly about freedom of expression and potential censorship. Upon investigation by Primus, it's apparent that the bill is currently ambiguous.

While it calls for adherence to Program and Advertisement codes, these yet-to-be-outlined codes hamper stakeholders' meaningful engagement in the consultation process. Moreover, the codes apply to anyone broadcasting news and current affairs through digital media. The constitutionality of a three-tiered regulatory system is also under scrutiny. Even self-regulation through the Content Evaluation Committees raises privacy concerns with mandatory disclosures.

However, on a positive note, the bill introduces commendable accessibility guidelines for persons with disabilities, emphasizing inclusivity in program and platform design.

Globally, OTT regulation varies significantly. While countries like Singapore, Malaysia, and China enforce stricter content regulations, the US adopts a lighter touch. The European Union takes a nuanced approach, integrating data privacy and consumer protection.

Now, the key challenge for the Government of India (GoI) is finding a balance between regulating harmful content and safeguarding freedom of expression and user rights. As the GoI moves forward with this, it is crucial to avoid unintentional consequences, such as over-compliance or self-censorship by content creators. The government must ensure that users' experiences, choices, and financial considerations are not adversely affected during the compliance process.

03 Green Credit Program

To catalyze eco-innovations under India's LiFE Initiative

The Ministry of Environment, Forest, and Climate Change released the Green Credit Program (GCP) as a part of the 'Lifestyle for Environment' (LiFE) initiative. The GCP, guided by an inter-ministerial Steering Committee and managed by the Indian Council of Forestry Research and Education, is designed to incentivize voluntary environmental actions through a market-based mechanism. Stakeholders from various sectors can engage in activities such as water conservation and afforestation to earn tradable Green Credits. The program also introduces a user-friendly digital platform for the registration, verification, and trading of these credits. Alongside GCP, the Ecomark Scheme has been revamped to endorse eco-friendly consumer products through accurate labelling, promoting sustainable choices among consumers and manufacturers alike.

The policy aims:

- Encourage sustainable environmental practices by linking them with economic incentives.
- Foster a culture of conservation and sustainability that aligns with traditional values and modern governance.
- Strengthen India's commitment to environmental conservation while promoting economic growth.

The program's structure is centered around activities that include tree plantation, water management, sustainable agriculture, waste management, air pollution reduction, mangrove conservation, Ecomark label development, and sustainable building. By participating in these activities, stakeholders can earn Green Credits, which will be tradable on a national platform, incentivizing a shift towards a greener economy.

Our Take - Why is this Important?

The Green Credit Program (GCP) is a commendable initiative aligning environmental stewardship with economic incentives, a significant leap in marrying policy with the principles of sustainability. By rewarding actions such as afforestation and water conservation, the program is an embodiment of the 'LiFE' campaign's philosophy, incentivizing individuals and entities to contribute positively to the environment.

The trading platform and credit registry are innovative steps that can potentially transform green behaviors into valuable assets, thereby embedding ecological considerations into the fabric of economic decision-making.

The GCP's launch is a strategic move towards environmental sustainability, but it must navigate the complexities of verifying and validating eco-friendly actions. The intricacies involved in this process could potentially create a bureaucratic web that discourages active participation. To counter this, the GCP needs a simplified, accessible verification system that can maintain user involvement and the program's effectiveness.

Concerns around greenwashing and the program's delineation from carbon credits are also significant. To address these, the GCP must implement stringent and transparent criteria to ensure credits are awarded for authentic environmental contributions. Clear demarcation and communication about the program's independence from carbon credit schemes are essential to prevent confusion among stakeholders.

04 Government Mandates Green Revolution

Enforces Mandatory CBG Blending in CGD Sector

National Biofuels Coordination Committee (NBCC), chaired by Shri Hardeep Singh Puri, Union Petroleum Minister announced the phase wise mandatory blending of compressed biogas (CBG) in CNG (Transport) & PNG (Domestic) segments of CGD sector i.e., CBG Blending Obligation (CBO) shall be kept as 1%, 3% and 4% of total CNG/PNG consumption for FY 2025-26, 2026- 27 and 2027-28 respectively and from 2028-29 onwards CBO will be 5%

The policy aims:

- To stimulate demand for CBG in CGD sector resulting as import substitution for Liquefied Natural Gas (LNG).
- Saving foreign exchange and promoting a circular economy.
- To assist in achieving the target of net zero emission.

The CBO will be optional until the financial year 2024-2025, with the mandatory blending obligation scheduled to commence from the financial year 2025-26.

A Central Repository Body (CRB) will monitor and implement the blending mandate based on operational guideline approved by the Minister of Petroleum and Natural Gas (PNG).

Highlighting the important results of the CBO, Shri Puri mentioned that it will attract investments of about Rs. 37,500 crores and help set up 750 CBG projects by 2028-29.

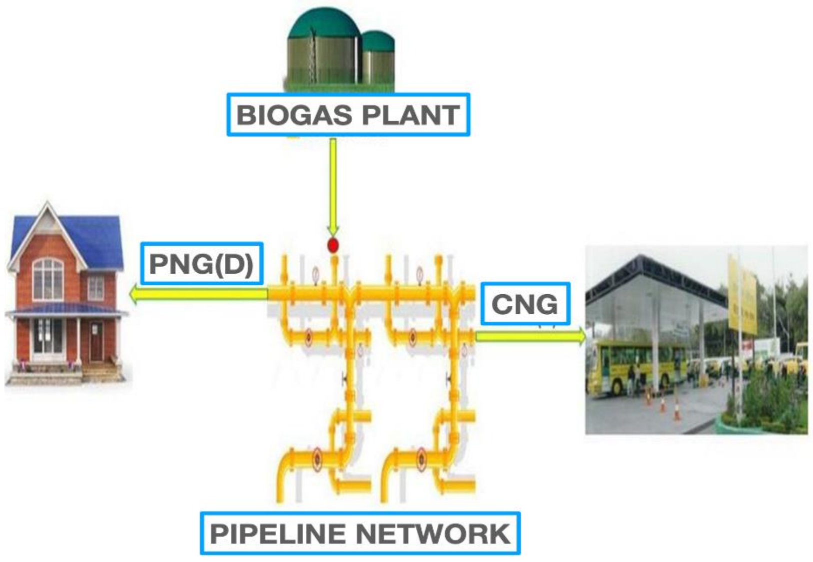
Our Take - Why is this Important?

Blending Compressed Biogas (CBG) in the City Gas Distribution (CGD) sector for PNG (Domestic) and CNG (Transport) segments is crucial as CBG serves as a cleaner and more sustainable alternative, contributing to the reduction of greenhouse gas emissions aligning with pledge on global environmental goals taken by G20 countries in New Delhi, 2023 to embrace low-carbon emissions, climate-resilient, and environmentally sustainable development pathways. Furthermore, CBG is often derived from organic waste and agricultural residues, presenting a valuable means of waste utilization and somewhat curb the Agri Residue burning practices in the country.

This will also diminish reliance on traditional fossil fuels, promoting energy diversification and conservation of finite resources by substituting CBG for liquefied natural gas (LNG), this initiative leads to significant savings in foreign exchange, positively impacting the country's economic stability and will contribute to the PM vision of Atmanirbhar Bharat . Additionally, the mandatory blending of CBG stimulates investments, fosters economic growth, and aids in the establishment of numerous CBG projects which will create Job Opportunities in India. Overall, CBG blending in the CGD sector represents a holistic approach with environmental, economic, and social benefits, driving India towards a more sustainable and resilient energy future.

Despite of multiple Government initiative, including CGD-CBG Synchronization scheme for supply of CNG(T) & PNG(D) segments of CGD network and SATAT scheme, which aims to establish 5,000 CBG plants by 2023, progress has been slow, with only approx. 48 CBG units set up so far and is a matter of concern. Several challenges include non availability of pipeline connectivity at many locations, tax-related problems (i.e., CBG is taxed under GST, while CNG is taxed under VAT), difficulties in segregating large size of the feedstock & municipal solid waste, fluctuations in pricing & moisture content of feedstock.

Government's quick and easy statutory approval for Biogas plant shall be priority, Carbon Credit scheme for Biogas may be explored in near future , open access shall be allowed, promotion of biofertilizers and monetary support schemes from government to establish new plant shall be ensured .



05 CCPA's Safety Notice on Sale of Corrosive Acids Online

Towards a safe digital marketplace

The Central Consumer Protection Authority (CCPA), under the leadership of Chief Commissioner Mrs. Nidhi Khare, has issued a Safety Notice, which aims to caution consumers against the purchase of highly corrosive acids on e-commerce platforms, emphasizing the potential dangers and risks associated with such transactions.

Background and Legal Framework

- The notice is issued in accordance with Section 18(2)(j) of the Consumer Protection Act, 2019 , which empowers the CCPA to take necessary measures for consumer protection. The stated clause empowers CCPA to issue safety notices to alert consumers against dangerous or hazardous or unsafe goods or services..
- The sale of such hazardous substances is subject to regulations outlined by the Ministry of Home Affairs (MHA) in 2013, namely, 'Measures to be taken to prevent acid attacks on people and for treatment and rehabilitation of survivors', which emphasized the need for stringent measures to control access.

The notice points out that e-commerce platforms currently lack adequate mechanisms for age verification and recording the purpose of purchasing acid.

Putting E-Commerce Platforms on Check

The Safety Notice requires e-commerce platforms to integrate compliance mechanisms ensuring acid sales adhere to state or Ministry of Home Affairs guidelines, obtain separate undertakings from sellers for compliance, mandate government-issued photo ID upload for age verification, and introduce a section for buyers to declare the specific reason or purpose for purchasing acid.

The Safety Notice emphasizes that the sale of corrosive acid on e-commerce platforms, without adherence to regulations, violates Section 4(3) of the Consumer Protection (E-Commerce) Rules, 2020 , which states that no e-commerce entity shall adopt any unfair trade practice.

Our Take - Why is this Important?

The CCPA's proactive stance reflects a significant advancement in consumer protection in the digital age. By addressing the gap in e-commerce regulations for hazardous substances, the CCPA not only enhances consumer safety but also sets a precedent for digital market responsibility.

This move, while maintaining an optimistic outlook, subtly prompts e-commerce platforms to adopt more rigorous standards, similar to alcohol sales regulations.

Incorporating technology for age verification and purpose declaration can transform the industry standard, offering a balanced approach to accessibility and safety.

It's a step towards creating a safer online shopping environment that other sectors can emulate, showcasing a blend of innovation, responsibility, and consumer-centric policies. It is not clear however if the safe harbour provision from the IT Act can be a substantial ground for e-commerce platforms to contest.

06 Angel tax regime for DPIIT recognized start-ups

Will the new angel tax regime be effective?

As part of the Government of India's continuing efforts to perform a balancing act in curbing the flow of unaccounted money while still promoting ease of doing business for start-ups (which includes ease of raising funds), the Central Board of Direct Taxes (CBDT) has recently issued directives to tax officials to go easy on scrutiny of angel tax provisions. This is the latest in a series of moves by the government to untangle the overly-complicated angel tax web.

Angel tax (income tax at the rate of 30.6%) is levied when an unlisted company raises capital by issuing shares to an investor (resident or non-resident, with the latter being brought under the ambit of this tax from AY 2024-25) at a price higher than its fair market value. First introduced in 2012, the act aims to deter the generation and use of unaccounted money through the subscription of shares of a closely held company at a value that is higher than the fair market value of the firm’s shares.

CBDT’s October 2023 directive:

- If a start-up is picked up for computer-assisted scrutiny selection on the issue of applicability of angel tax provisions, tax officials will not subject the start-up to verification on this matter and the contention of the company will be accepted.
- This provision will cover all DPIIT-recognized start-ups (over 99,000 at last count)

Benefits:

- Provides clarity with respect to applicability of angel tax on registered startups
- Reduces burden of litigation on start-ups
- Improves tax compliance

Our Take - Why is this Important?

India has seen exponential growth in the number of start-ups, with almost 83 unicorns as of 2023. Initiatives such as Start-up India and Digital India have provided required impetus for the growth and success of these start-ups in India. Providing multiple valuation techniques, at par with international standards such as the Comparable Company Multiple Method, Probability Weighted Expected Return Method, Option Pricing Method, Milestone Analysis Method, and Replacement Cost Method along with a safe harbor provision of 10% variation in value. This is a positive step taken by the regulators to help start-ups leverage valuation methods which might be better suited to international investors and save on taxation if they are registered and monitored by DPIIT.

Only Start-ups who are raising between INR 10 to 21 crores and have not parked their funds in shares and securities are eligible. Most start-ups park their money in debt mutual funds implying a large chunk may not be eligible for these benefits. While this is a good short to medium term solution, in the long run, a more flexible approach is required when it comes to scrutinizing start-ups and understanding the contours of the regime that are applicable to start-ups. While this is a good short to medium term solution, in the long run, a more flexible approach is required when it comes to scrutinizing start-ups and understanding the contours of the regime that are applicable to start-ups.

07 New Drone (Amendment) Rules 2023 for Drone Pilots

Will India's drone industry see rapid growth?

Government of India has notified the new Drone (Amendment) Rules 2023 for drone pilots, effective from the 27th of September 2023.

1. The notification is aimed at further liberalising and promoting drone operations in India and to make India a global drone hub by 2030.

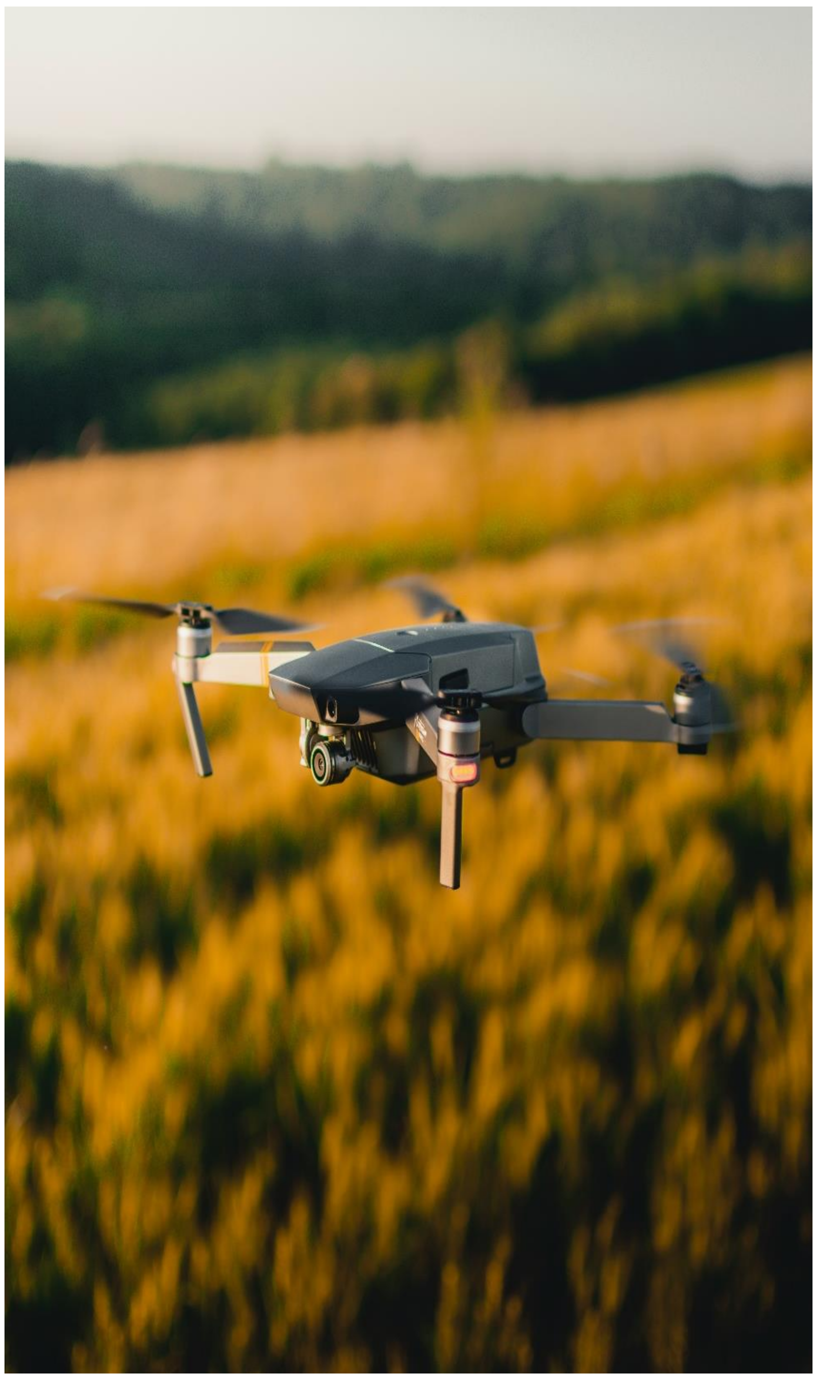
2. The amendment has updated the Form D-4 annexed to the Drone Rules 2021.

3. The amendment allows people applying for remote Pilot certificate to use various government issued proof of identity and government issued proof of address such as Voter ID, Ration Card or Driving license in case the drone pilot does not have a Passport. Thus, after the amendment, having a passport is not mandatory for applying for remote pilot certificate. In this context, it needs to be noted that as per DGCA, it is mandatory to have a valid remote pilot certificate enlisted on the digital sky platform to operate an unmanned aircraft system in India. However, no Remote Pilot Certificate is required when the drone is of small or medium size (up to 2kg) and being used for non-commercial drone use.

Our Take - Why is this Important?

With India aiming to be a hub of drone technology, the requirement of drone pilots is going to rise exponentially. Recently, Hon. Union Minister Shri Anurag Thakur had estimated that the country would need about 1 lakh drone pilots next year. Usage of drones have been piloted across various sectors and segments such as agriculture, healthcare, logistics and the need and usage of it would rise in days to come. Additionally, Government of India has also launched a scheme for promotion of Kisan Drones, which is aimed at revolutionizing the agriculture segment.

With the rising demand for drone pilots, especially in the rural areas, availability could have been impacted by the mandatory requirement of having a passport. Many people, especially in rural India, do not possess a passport and the same was coming as a hindrance in obtaining remote pilot license. This amendment by Government of India to allow other government issued proof of identity and proof of address would further liberalize and promote drone industry in India and give a fillip to aspiring drone pilots, especially in the rural areas. This is a welcome step for the industry as a whole and would accelerate growth in this segment. However, care should be taken to scrutinize the supporting documents submitted, so that there is no scope of any bogus or fraudulent document being issued.



08 Rural Women: Key to India's Agriculture Growth

Empowering Women through Drones

The Union Cabinet chaired by the Prime Minister, Shri Narendra Modi has approved Central Sector Scheme for providing Drones to the Women Self Help Groups (SHGs), with an outlay of Rs. 1261 Crore for the period from 2024-25 to 2025-26.

The NAMO Drone Didi scheme aims to provide drones to 15,000 select women SHGs during the period 2024-25 to 2025-2026 for providing rental services to farmers for agriculture purpose.

The policy aims:

- To provide financial assistance to the women SHGs for purchase of drones and its accessories
- To identify the women SHG clusters where use of drones is economically feasible
- To support the women SHGs by providing appropriate technical training for drone operations and maintenance thereby securing the future, progress towards a knowledge-driven economy, and bolster agricultural productivity.
- To infuse advance technology in agriculture for improved efficiency, enhance crop yield and reduced cost of operation for the benefit of farmers..

Scheme Highlights

- Holistic interventions between Department of Agriculture & Farmers Welfare (DA&FW), Department of Rural development (DoRD) and Department of Fertilizers (DoF), Women SHGs and Lead Fertilizer Companies (LFCs)
- Formation of cluster level federation (CLF) for assistance to women SHG
- Promote usage of Nano Fertilizer through drones

Our Take - Why is this Important?

Leveraging of potential of science and technology for rural development is of prime importance for our country.

In India 80% of rural women are employed in agriculture. Empowering and mainstreaming rural women workforce in agriculture can bring paradigm shift towards economic growth

It will further enhance food and nutrition security and alleviate poverty and hunger.

India is an agrarian economy with about 54.6 percent of total workforce engaged in agricultural and allied sector activities (Census 2011). The government has initiated several schemes and programs to improve rural women's stature in society by creating livelihood opportunities and engagements. Skill training programs in agriculture and allied areas are provided through National Training Institutes, State Agriculture Management & Extension Training (SAMETIs), Krishi Vigyan Kendras (KVKs) and State Agriculture Universities (SAUs) across the country.

Rural women are torchbearers for social, economic and environment transformation for the 'New India and introduction of this central level scheme for providing drones to rural women for agriculture will certainly is clearly a win win strategy for achieving Sustainable Development Goals by 2030. Cultivating a robust intellectual property portfolio in the drone sector is crucial. This strategic approach not only fosters collaboration among industry players but also positions India as a global leader in the drone industry

9.1 Automatic 'Status Holder' Certificate under Foreign Trade Policy

Redefining India's export dynamics

India Unveils Automatic 'Status Holder' certification under Foreign Trade Policy 2023 by Minister Piyush Goyal. It is a pioneering initiative by the Union Minister of Commerce & Industry, Consumer Affairs, Food & Public Distribution and Textiles. Businesses that are into exports will no longer need to submit applications to the Directorate General of Foreign Trade (DGFT) for a Status Certificate. Instead, the IT system will automatically grant export recognition based on existing electronic data from the Directorate General of Commercial Intelligence and Statistics (DGCIS) merchandise export, along with other risk parameters.

This paradigm shift in the export market incorporates:

- Decrease in transaction costs.
- Reduce the compliance burden.
- Increase in the convenience of doing business.
- Emphasizes the collaborations within Government.
- Issue Exporter Status Certificates based on available electronic data which means manual or online application will not be needed anymore.
- Encourage the trust-based IT systems to empower exports.

The primary objectives of the system based automatic 'status holder' certificates are as follows:

- Exporters | The Department and Ministry of Commerce hope to recognize approximately 20,000 exporters under FTP 2023 as Status Holders which will be a quantum jump from the earlier number of 12,518 exporters.
- Status certification | The biggest increase in Status certification is expected to be seen in the 1 Star category, which requires an export performance of at least US$ 3 Million (in the past 3 fiscal years plus the 3 months of the current fiscal year). This would allow the government to support a greater number of small exporting firms, establish a thriving export environment, and contribute to our US$ 2 trillion export target by 2030.
- Digital India | With compliance with Digital India, the Ministry seeks to implement e-initiatives and issue permissions/authorisations under FTP 2023, based on risk management and exporter self-declarations, including 24X7 online Importer Exporter Code (IEC) number and Advance Authorisation renewals.

Key Elements of the Policy

1. Infrastructure Development | The certificates emphasize the creation of state-of-the-art infrastructure, this includes several factors such as Online approvals without Physical Interface, Reduction in user charges for MSMEs under AA and EPCG, and Paperless filing of Export Obligation Discharge Applications. These factors aid in increasing the ease of doing business, reducing transaction costs, and helping smooth implementation of e-initiatives.

2. Export Promotion Initiatives | The Status Holder certification program promotes initiatives for Rationalising Status Holder Export Thresholds thus enabling more exporters to achieve higher status and reduced transaction costs. It also includes Rupee Payment to be accepted under FTP Schemes which would serve as a robust and effective base towards internationalisation of Rupee.

9.2 Redefining India's Export Dynamics

Redefining India's export dynamics

3. Digitization of export solutions | The program will streamline the processes and leveraging technology has led to the automatic approval of various permissions under the Foreign Trade Policy. This has resulted in a reduction in processing time, ensuring immediate approval for exporters operating under the automatic route. It also curates the redemption of applications for all authorizations will now be conducted in a paperless manner, complementing the existing paperless issuance process. This ensures that the entire lifecycle of authorizations is seamlessly conducted without the need for paper documentation.

4. Credibility for India Exporters | The Status Holder certification program provides refined credibility to the Indian exporters in the international markets.

5. Measure to Enhance Manufacturing | Under the Prime Minister Mega Integrated Textile Region and Apparel Parks (PM MITRA) scheme has been added as an additional scheme eligible to claim benefits under the CSP (Common Service Provider) Scheme of Export Promotion Capital Goods Scheme (EPCG).

Our Take – Why is this Important?

This forward-looking initiative by Minister Piyush Goyal is a game-changer for India's export sector. The automates 'status holder' certification aligns with the principles of ease of doing business along with digital transformation. By leveraging electronic data and risk parameters, the government is not only rationalising the processes but also fostering collaborative environments. The move to recognise about 20,000 exporters, particularly the growth in the 1-star category, reflects a commitment to support smaller stakeholders and accomplishing the ambitious management and self-declaration resonates with the broader digital India ethos, marking a significant step towards a more efficient and transparent export ecosystem.

This initiative holds immense promise, but challenges may arise in ensuring data accuracy and security. The government needs to establish sturdy mechanisms to safeguard against potential risks and cyber threats. Additionally, a structured framework for periodic evaluation and updates will be crucial to maintain the credibility of the automated certification process. Nonetheless, this marks a progressive stride towards a modern, technology-driven export regime. As industry stakeholders, we appreciate the government's commitment to simplifying processes and promoting a vibrant export ecosystem.

10 TDSAT Ruling on OTT Platforms

Navigating OTT Regulation and India's Digital Future

Following a petition filed by the All India Digital Cable Federation (AIDCF) against Star India, the Telecom Disputes Settlement and Appellate Tribunal (TDSAT) issued a noteworthy ruling. This ruling made a clear distinction between Over-The-Top (OTT) platforms and traditional TV channels. The tribunal concluded that "Prima facie, OTT platform is not a TV channel, nor the respondent is requiring any permission or a license from the Central Government". The tribunal also highlighted that OTT platforms are governed by "...provisions of the Information Technology Act, 2000 and the rules framed thereunder of the year 2021..." and not the Telecom Regulatory Authority of India (TRAI) Act. This ruling carries immense significance as it firmly establishes that OTT platforms to operate outside the regulatory purview of the TRAI Act.

The expert perspective on the TDSAT judgment aligns with the notion that the judgment contributes positively to the improvement of the regulatory framework.. "*I acknowledge the TDSAT judgement. My view is that OTT Platforms should not be fundamentally under TRAI's Jurisdiction. The application layer of the internet lies and should continue to lie under the jurisdiction of the IT Act. In simple words, anything running ON the internet should be under MeitY's jurisdiction, be it social media, OTT platforms or Video-On-Demand. Internet as an enabler, that is, the provision of internet as a service, however, lies under the Department of Telecommunications or can be regulated by TRAI. Both should not be confused.*" - Shri Rakesh Maheshwari, Former Group Coordinator – MeitY.

Our Take - Why is this Important?

The TDSAT judgment is undoubtedly a game-changer in the regulatory landscape of India's digital media and entertainment industry. The TDSAT's verdict acknowledges the unique role of OTT platforms in delivering content, offering viewers flexibility and convenience like never before.

The ambitious goal of unlocking a 1 trillion-dollar value from India's digital economy by 2025 is contingent on the smooth functioning and growth of the digital

ecosystem. Any obstacles, such as entry barriers and compliance burdens, could decelerate the digital economy's progress. It might deter new entrants, particularly smaller local players, from bringing in fresh offerings and innovation.

However, it is also of umpteenth importance to shape inclusive policies such that traditional content distributors, including cable TV providers and DTH services, are able to adapt to this shifting landscape and regulatory decisions like the TDSAT judgment. As it will undoubtedly play a significant role in shaping their future in the current times when the relentless digital wave is challenging their established business models.

In conclusion, the TDSAT judgment acknowledges the pivotal role of OTT platforms in the modern media and entertainment landscape. It calls for a comprehensive and forward-looking regulatory framework, essential for ensuring the continued growth of India's digital economy. However, it also underscores the need for a delicate balance, ensuring that regulatory measures do not inadvertently hamper the growth of the internet and digital services, which are poised to play a critical role in India's journey towards a trillion-dollar digital economy. OTT platforms also express a preference for self-regulation within their industries instead of over-regulation from other entities.

PASSION
for providing solutions to help clients achieve their goals

RESPECT
for all and alternate viewpoints

INTEGRITY
of thoughts and actions

MASTERY
of our chosen subject to drive innovative and insightful solutions

US
representing the Primus collective, where each individual matters

STEWARDSHIP
for building a better tomorrow

About Primus Partners

Primus Partners has been set up to partner with clients in 'navigating' India, by experts with decades of experience in doing so for large global firms. Set up on the principle of 'Idea Realization', it brings to bear 'experience in action'. 'Idea Realization'— a unique approach to examine futuristic ideas required for the growth of an organization or a sector or geography, from the perspective of assured on ground implementability. Our core strength comes from our founding partners, who are goal-oriented, with extensive hands-on experience and subject-matter expertise, which is well recognized in the industry. Our core founders form a diverse cohort of leaders from both genders with experience across industries (Public Sector, Healthcare, Transport, Education, etc.), and with varied specialization (engineers, lawyers, tax professionals, management, etc.).

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