



Over-the-Top Challenge

*This article is based on [“The over-the-top debate ends here”](#) which was published in *Financial Express* on 01/11/2022. It talks about the regulation of OTT platforms in India and related issues.*

For Prelims: Over-The-Top (OTT) Services, Artificial intelligence, Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules 2021, Section 69A of the IT Act 2000.

For Mains: Factors Responsible for Growth of OTT in India, Issues Associated with OTT Platforms in India, Regulation of OTT.

Watching Movies and TV shows has always been in the form of theater and television. But now-a-days the **improved technology has made movie watching more convenient through online streaming or [Over-The-Top \(OTT\) services](#)**.

Over-the-top (OTT) video streaming accounted for 46% of the overall growth in Indian media and entertainment industry from **2017 to 2022**.

However, there has been a raging debate between [telcos](#) and **OTT providers**. The telcos allege that **OTTs are taking a ‘free ride’ on their infrastructure** and should pay an access charge. Therefore, there is a need to take adequate steps in this direction for smooth functioning of the **emerging [media and entertainment industry](#)**.

What are OTT platforms?

- OTT platforms are **audio and video hosting and streaming services** which started out as content hosting platforms, but **soon branched out into the production and release of short movies, feature films, documentaries and web-series** themselves.
 - **Examples: Netflix, Hotstar, Amazon Prime Hulu, Pluto TV,** and many more.
- These platforms offer a range of content and **use [artificial intelligence](#) to suggest users the content** they are likely to view based on their past viewership on the platform.
- India is currently the **world’s fastest growing OTT market** and is all set to emerge as the **world’s sixth largest by 2024**.

What are the Factors Responsible for Growth of OTT in India?

- **Urbanization and Westernization:** [Migration to big cities](#) and cultural changes in media consumption have made customized interfaces of OTT more attractive to users.
- **Access to Digital Services:** [High-speed mobile internet](#) at affordable prices, doubling of internet users, **increased adoption of digital payments**, have given OTTs a competitive edge.
- **Democratization of Media:** The OTT industry benefits a number of small content producers and

artists in India, who have mastered their craft.

◦ It also helps in accessing regional films around the country as well as globally.

- **Convenience:** Limited Advertisements, Pause & Play options, **flexibility to stream movies anywhere any time (e.g. while traveling)** have combined to **fuel OTT industry's eye-catching growth in India.**

How OTT Platforms are Regulated in India?

- The Indian government announced new rules to regulate the **Over-the-top (OTT)** service providers and digital content providers in India.
 - The new rules are called [Information Technology \(Intermediary Guidelines and Digital Media Ethics Code\) Rules, 2021](#).
 - As per the new rules OTT platforms will have to self-classify the content into five age-based categories: **U (Universal), U/A 7 years, U/A 13 years, U/A 16 years, and A (Adult)**.
 - The rules also lay down a **soft-touch self-regulatory architecture** with a **Code of Ethics** and three-tier grievance redressal mechanism for OTT platforms.
 - Every publisher should appoint a [Grievance Officer based in India](#) for receiving and redressing grievances in 15 days.
- But there is currently **no rule or authority in regulating pre-screen content on OTT platforms**. However, the government has the powers to issue directives to block certain information to be in public access, under [Section 69A of the IT Act, 2000](#).

What are the Issues Associated with OTT Platforms in India?

- **Lack of Direct Regulation:** There is **no separate legislation or body for regulation of OTT platforms**. They are **only governed by the Ministry of Electronics and Information Technology (MeITy)**.
- **Threat of Cybercrime:** In the process of subscribing to an OTT platform, people share their confidential information like bank details, **credit card access**, which has the **potential to be misused and lead to cybercrime**.
- **Effect on Telecom Revenue Stream:** For voice calls and SMS messages, OTT platforms like Whatsapp and Telegram use the network infrastructure provided by telecom service providers like **Airtel and Jio**.
 - [Telecom Service Providers \(TSPs\)](#) allege that these features **negatively affect their revenue streams (voice calls, SMS)**.
- **Risk to Moral Fabric of Society:** Critics have always pointed out that **the content on these platforms contains obscenity and vulgarity, which is negatively affecting the youth**.
 - Due to the lack of censorship, content on OTT platforms can **disrupt social harmony** and the **moral fabric of society**.

What Should be the Way Forward?

- **Deploying Unbiased Regulatory Body:** Considering the present situation, **there is a need for an unbiased regulatory body** to regulate the contents on OTT platforms.
 - The government should deploy **strict guidelines for production of content** on OTT and **“light-touch regulations” for OTT communication services like WhatsApp, Signal and Telegram**, keeping consumer interest and cyber fraud issues in mind.
- **Maintaining Quality, Promoting Equality:** The **Ministry of Information and Broadcasting** should ensure the quality of digital content being produced in OTT platforms, **put the people's sentiments first, and promote new talent and social content**.
- **Viewers' Responsibility:** It is essential to **ensure that kids at home do not access the OTT content** until a strict accessibility and regulatory policy is in place with the purpose of limiting access to underage content.

Drishti Mains Question:

What are the issues related to OTT regulation in India and discuss salient features of Information Technology (In

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