

नृपेन्द्र मिश्र
Nripendra Misra
अध्यक्ष/Chairman
भारतीय दूरसंचार विनियामक प्राधिकरण
Telecom Regulatory Authority of India



D.O. No. 14-2/2007-B&CS
Dated: February 15, 2008

Dear *Madam*

This is in continuation of my earlier letter dated February 05, 2008 in response to your D.O. No. 9/2/2005-BP&L dated 21.01.2008 regarding the issue of Headend-In-The-Sky (HITS).

2. As regard the issue of existing HITS permission holders, the Authority is of the opinion that for faster roll out of digitalization and conditional Access System in cable sector, it is essential to have a framework for these permission holders to operate and to migrate to the new licensing regime of HITS, as and when these are notified by the Government. The recommendations of the Authority in this regard are enclosed at Annexure to this letter.

4. Your D.O. No. 9/2/2005-BP&L dated 21.01.2008 and the recommendations of the Authority along with the text of this letter have been placed today on the TRAI website (www.trai.gov.in) for public information, as per prevailing practice.

With regards,

Yours sincerely,


(Nripendra Misra)

Smt. Asha Swarup,
Secretary,
Ministry of Information & Broadcasting,
Shastri Bhavan,
New Delhi-110 001

महानगर दूरसंचार भवन, जवाहर लाल नेहरू मार्ग, (पुराना मिनटो रोड), नई दिल्ली-110002
दूरभाष : 91-11-23211236, 23213409 फैक्स : 91-11-23236026 ई-मेल : cp@trai.gov.in
Mahanagar Doorsanchar Bhawan, Jawahar Lal Nehru Marg, (Old Minto Road), New Delhi-110002
Tel. : 91-11-23211236, 23213409, Fax : 91-11-23236026 E-mail : cp@trai.gov.in
Website : www.trai.gov.in

Recommendations on the issue of allowing the existing HITS permission holders to operate under the new licensing framework

1. M/s ASC Enterprises (at present M/s Dish TV) and M/s Noida Software Technology Park Limited (M/s NSTPL) were granted permission in 2003 for HITS operation using teleport facility. M/s Dish TV had reportedly launched its HITS service in August 2003. Later, because implementation of CAS was deferred, M/s Dish TV had reportedly surrendered the satellite transponder capacity. M/s NSTPL had received the permission for HITS service in 2003, but reportedly did not start the HITS service.

2. A perusal of the HITS permissions granted to these two companies shows that the said permissions do not have any specific roll out obligation, nor do they have an explicit provision for termination of permission, although absence of such explicit provision does not mean that action for termination of permission cannot be taken. As such, these permission holders are presently having valid permission to run HITS service over their teleport, and neither of them is at present operating HITS service. M/s Dish TV claims to be in a state of readiness to start operations and has sought permission from the Government for change of satellite to start HITS operation.

3. To ensure faster digitalization and addressability in the cable sector and to ensure greater competition, it is desirable that these permission holders should be allowed to provide the HITS operation on the existing terms and conditions, till at least such time that the terms and conditions of HITS license are notified by the Government of India. Thereafter, the two existing permission holders should be encouraged to migrate to the new licensing regime of HITS within a specified time frame. **Therefore, the Authority recommends as follows:**

(i) The Ministry of Information & Broadcasting should immediately inform the two existing HITS permission holders of the Government's intention to bring out the new licensing framework for HITS, and that the present permission for HITS on their teleport will be "frozen" at the existing level. Thus, except under the circumstances specified in para (ii) below, no further approvals will be granted, among others, for change of satellite or for a new satellite, or for turn-around of additional channels, or for extension in tenure of teleport license in so far as its usage for HITS is concerned.

(ii) However, the existing HITS permission holders will be allowed to commence the HITS operation on the basis of their existing HITS permission provided they give an undertaking to the effect that they shall migrate to the new HITS licensing regime within a period of three months from the date of notification of the new HITS licensing framework by fulfilling all the terms & conditions of the new license, and that in the event of their failure to do so after having given such an undertaking, their existing HITS permission shall be liable to be cancelled. After furnishing such an undertaking, the existing HITS permission holders will be allowed to commence their HITS operations on the basis of their existing HITS permission and to continue the same under the existing permission till such time that they successfully migrate to the new licensing regime, or for three months from the date of notification of the new HITS license, whichever is earlier. Further, after receiving such an undertaking, in order to facilitate the existing HITS permission holders to commence operations, the Government will also consider on merits any requests received from such HITS permission holder for approvals on issues such as change of satellite or for a new satellite, turn-around of additional channels, etc. within the framework of the existing HITS permission.

(iii) Further, if the existing HITS permission holder meets the roll out obligation as envisaged in the new HITS license even prior to his successful migration to the new HITS license, then such a HITS permission holder will not be required to furnish the performance bank guarantee for migrating to the new licensing regime.

4. It may be mentioned here that M/s Dish TV has given a letter dated 5th February, 2008, regarding their willingness to migrate to the new licensing regime within the stipulated period. A copy of their letter has been taken on record and is also enclosed for appropriate action.

Feb 05, 2008.

The Principal Advisor (B&CS)
Telecom Regulatory Authority of India,
Mahangar Door Sanchar Bhawan,
Jawaharlal Nehru Marg,
New Delhi 110002.

Dear Sir,

Sub. : Migration to the New Licensing Regime for HITS.

This is with reference to our meeting and discussions we had with you on the subject matter. In this Context we would like to bring to your notice that we have already given an undertaking to the Ministry of Information and Broadcasting vide our letters dated Nov. 20th, 2007 and Jan.15,2008 that we would abide by the norms notified for HITS operator as and when stipulated by the Ministry. Copies of these letters are enclosed herewith for ready reference.

We would like to reiterate that

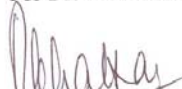
- 1 That we would migrate to New Licensing regime within the stipulated migration period as and when the same is notified by the Ministry.
- 2 That we would adhere to all the licensing stipulations recommended by the authority as finally notified by the Ministry including but not limited to Entry Fee, Performance Bank Guarantee, Net worth criteria , Crossholding restrictions and any other licensing stipulations within the stipulated migration period.

We would also like to bring to your kind notice that our required infrastructure for launch of HITS services is already in place & ready. We have already contracted the Transponder Capacities on C Band on Asiasat and NSS satellites .

In view of the undertaking as given above to abide by and adhere to the notified licensing conditions by the Ministry within the stipulated migration period, we sincerely hope that we would be allowed to commence the operations immediately.

With best regards

For Dish TV India Ltd


Rajiv Khattar

November 20, 2007

The Secretary
Ministry of Information & Broadcasting
"A" Wing, Shastri Bhawan
New Delhi-110001

Kind Attn: Mrs Asha Swaroop; Secy, Ministry of Information & Broadcasting

Respected Madam,

Sub : Permission for Change of Satellite to Operate HITS

This has reference to the letter No 1404/8/(I)/2002-TV(I) dated 16.11.2007 of the Ministry with regards to our request for change of satellites to operate the HITS.

We would like to submit here that we have been granted License/Permission to operate the HITS and we have already committed resources and booked the satellite capacity to operate the HITS platform.

The recommendations of TRAI mentions that the platform can be operated both on C- Band and KU Band . As per the License/Permission granted we are using C-Band and we would like to mention here recommendations of TRAI referred in your above mentioned letter pertain to the licenses to be granted in future by the Ministry. We would like to mention here that we will meet the norms as a HITS operator as and when brought by the Ministry.

Any delay in the grant of permission for change of satellite to operate the HITS platform will delay the digitalization process of the Cable which we are trying to accelerate and will also put us under severe financial loss of about Rs 50 crores.

We request you to please consider the matter favourably and may grant us the permission to change of satellites at the earliest.

With best regards

For **Dish TV India Ltd**



Jawahar Goel