

COMMENTS TO THE CONSULTATION PAPER ON HEADEND-IN-THE-SKY

**by
Paresh Ashar**

4.53.1 What should be the scope of HITS operations ? Whether the scope of the HITS Operator should include both the models as stated under heading “scope of HITS operation” in paras 4.5 and 4.6 ?

The scope of HITS operation should be as per the model in which the HITS operator works like a MSO, as practically it is not possible to simulcrypt, along with other MSO's as they have various kinds of CAS and SMS which can not be integrated in the HITS services. Hence, we advice to accept model as per para 2.13 of HITS operation.

4.53.2 Whether HITS operations should be allowed in C-Band or in Ku Band or in both

As we have to provide the best quality of service to the end-users, who are not aware from which source the picture is actually received on their TV set. It should not matter whether C-Band or Ku Band is to transmitted. Secondly, in a DTH operation only small sized Dish antenna can be installed at the subscribers end, whereas in HITS we can serve more numbers of cable operators by using bigger size of Dish Antennas to receive the signals. Due to bad weather (say rainy season) there will be continuous distortion of signals by using small size of dish antennas in DTH and this can be avoided by using bigger size of Dish Antennas in HITS module. Hence, both the bands should be allowed.

4.53.3 Whether a HITS operator should be restricted to offer services only to the cable operator ? Alternatively, should HITS operator be allowed to serve the end customer also directly ? If yes, then whether the restriction on DTH to service end customer only needs any review ?

Yes, HITS operator should be restricted to offer services only to the cable operator. Since HITS and DTH have different ways of transmitting signals to the end-user. Similarly, DTH player should deal with subscriber directly and not through cable operators.

4.53.4 What should be the limit of Foreign Direct Investment (FDI) for HITS licenses? Should there be any restriction on the maximum limit on the composite figure of FDI and FII ?

HITS operation being similar to a CATV operations, the limit on FDI for HITS should be the same as CATV. If CATV – FDI limit is increased subsequently HITS limit should also be increased.

4.53.5 What should be the entry fee and the annual license fee for HITS ?

Although the technology of transmission on HITS and DTH are similar, the receiving modes are on totally different technology. There is high cost involved on the receiving end signals of HITS platform in comparison to the low cost in DTH. Hence, there should be no annual licence fees and entry fee should be very low.

4.53.6 Whether HITS operator should be allowed to uplink from outside India also ?

Since down linking of contents is as per Indian norms it does not matter if uplink takes place from India or outside. Hence, the uplinking should be gradually shifted to India only.

4.53.7 If yes, what are the safeguards needed for monitoring the system ? What are the checks and balances required to be put in place to address the level playing field issue with the operators uplinking form India ?

In case HITS operators are allowed to operate from outside of India they should be subject to the Programming code and Advertising code as applicable in India. They should also be subject to all the other applicable laws of India.

4.53.8 Should any interconnection issues be addressed in licensing conditions ?

Yes, Similar to CAS, as otherwise the Broadcasters with vested interest will delaying the content by offering impractical commercial terms.

4.53.9 Should spectrum charges be recommended to be done away with for HITS service provider ?

In HITS we will see a huge growth in the quality of the content and the signals at a very low cost hence there should be no spectrum charges.

4.53.10 Should there be any cross holding restriction ? If yes, please suggest the nature and quantum of restrictions.

We do support of not having any cross holding restriction.

4.53.11 Should HITS operator be allowed to offer value added services ?

Yes, By allowing HITS operator to give value added services we can offer best quality interactive services which will be a step further in providing more value to the customers.

4.53.12 Whether “must carry/must provide” conditions be imposed on HITS operation ?

In case of the “must carry”, situation it will depend on the availability of the satellite space. In “must provide”, the advantage should be given to the HITS for the benefit of the viewers.

4.53.13 Whether a stipulated network of specified amount be made as an eligibility criteria to avoid any non-serious applicant ?

No need since HITS is a high investment venture. Therefore only serious players with funding ability will enter.