

DO No: 1-5/2004-B&CS

Dated:1st October, 2004.

Dear Navin,

Kindly refer to the Central Government's order no. 13-1/2004-Restg dated 9.1.2004 issued under section 11(d) of the TRAI Act which mandated TRAI to make recommendations regarding terms and conditions on which the 'Addressable Systems' shall be provided to customers and the parameters for regulating maximum time for advertisements in pay channels as well as other channels.

2. TRAI in line with its established practice started the consultation process by issuing the consultation note on 15th January 2004. The response to the consultation note and subsequent meetings of the Authority with stakeholder provided vast information about problems facing the industry. This enabled the Authority to take the consultation process forward with the issue of a more detailed consultation paper titled " Issues relating to Broadcasting and Distribution of TV Channels" on 20.4.2004. This was followed by consultations with stakeholders in Delhi, Mumbai and Chennai and series of other smaller meetings with stakeholders. In addition a survey was also commissioned to study the prevailing rates of cable services, viewing habits and acceptability of CAS in the country.

3. Through the process of consultation, analysis and a thorough examination of international practices, the Authority has formulated its recommendations. There are a number of recommendations which require amendments of the Cable Act and the TRAI Act which have been attached with the recommendations.

4. Along with these recommendations the Authority has also issued a Tariff order to regulate cable TV prices. A Regulation on interconnection is expected to be issued shortly.

5. I am forwarding with this letter the recommendations of the Authority on the subject and a copy of the tariff order. A copy of the report of the study conducted to assess prevailing rates, viewing habits of consumers and acceptability of CAS is also enclosed. In addition two press releases issued today are also enclosed.

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6. The recommendations along with the text of this letter have been placed on the TRAI's website (www.traigov.in) for public information, as per usual practice.

Yours sincerely

Sd/-

(Pradip Baijal)

Shri Navin B Chawla,
Secretary,
Ministry of Information and Broadcasting,
Shastri Bhawan,
New Delhi