

**Information note to the Press (Press Release No. 16/2014)**

For Immediate release

**TELECOM REGULATORY AUTHORITY OF INDIA**

**TRAI notifies inflation linked hike in the tariff ceilings for non-addressable cable TV systems.**

**New Delhi, the 31<sup>st</sup> March 2014:-** The Telecom Regulatory Authority of India (TRAI) has been periodically revising the tariff ceilings for the cable TV services offered through non-addressable systems, since the year 2004. These revisions are based on inflation linked adjustments. However, such revisions could not be undertaken for the last five years because the matter was pending in the Hon'ble Supreme Court.

2. Today, through the notification of the Tariff Order namely the "Telecommunication (Broadcasting and Cable) Services (Second) Tariff (Eleventh Amendment) Order, 2014", TRAI has allowed 15% inflation linked hike in the tariff ceilings. These revisions are applicable both at the wholesale and retail levels. This is the first of the two installments the Authority has decided to allow.

3. Based on the rise in the wholesale price index (WPI) over the last five years and considering the other relevant factors, the Authority has come to a conclusion that an overall 27.5% inflation hike is to be allowed. However, the Authority is of the view that a hike to the tune of 27.5% in a single go would not be appropriate for the market and the consumers to adjust to. Therefore, the Authority has prescribed this hike to be

implemented in two installments. The first installment of 15% shall be effective from 1<sup>st</sup> April 2014. The second installment for the remaining inflation linked increase shall be made effective from 1<sup>st</sup> January 2015 which shall be notified subsequently. This is expected to give enough and reasonable time to all the stakeholders to adjust to these hikes.

Full text of these draft amendment is available on TRAI website [www.trai.gov.in](http://www.trai.gov.in).

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