

**TO BE PUBLISHED IN THE GAZETTE OF INDIA EXTRAORDINARY PART III
SECTION 4**

TELECOM REGULATORY AUTHORITY OF INDIA

NOTIFICATION

New Delhi, 19th December, 2006

No 1-20/2006-B&CS.-- In exercise of the powers conferred by sub clauses (ii), (iii), (iv) and (v) of clause (b) of sub-section (1) and sub-section (2) of section 11 of the Telecom Regulatory Authority of India Act, 1997 (24 of 1997), read with notification of the Government of India, in the Ministry of Communication and Information Technology (Department of Telecommunication) No.39,-

- (a) issued, in exercise of the powers conferred upon the Central Government under clause (d) of sub-section (1) of section 11 and proviso to clause (k) of sub section (1) of section 2 of the said Act, and
- (b) published under notification No. S.O.44 (E) and 45 (E) dated 09/01/2004 in the Gazette of India, Extraordinary, Part III, Section 4,

the, Telecom Regulatory Authority of India hereby makes the following Order further to amend the Telecommunication (Broadcasting and Cable) Services (Third)(CAS areas) Tariff Order, 2006 (6 of 2006),namely:-

1. This Order may be called the Telecommunication (Broadcasting and Cable) Services (Third)(CAS areas) Tariff (Second Amendment) Order, 2006.

2. It shall come into force on the date of its publication in the Official Gazette.

3. In the Schedule to the Telecommunication (Broadcasting and Cable) Services (Third)(CAS areas) Tariff Order, 2006 (6 of 2006),---

(a) the Note under OPTION-1 shall be numbered as Note 1. thereof and after the Note1. as so numbered , the following Note shall be inserted, namely:-

“Note 2. The rent and refundable security deposit specified above are exclusive of any tax or any other levies under any law and tax or levy shall be payable by the subscriber.

(b) the Note under OPTION-II shall be numbered as Note 1. thereof and after the Note1. as so numbered , the following Note shall be inserted, namely:-

“Note 2. The rent and refundable security deposit specified above are exclusive of any tax or any other levies under any law and tax or levy shall be payable by the subscriber.

(R.N Choubey)
Advisor (B&CS-II)

Note.1.- The Telecom Regulatory Authority of India hereby amends the Telecommunication (Broadcasting and Cable) Services (Third)(CAS areas) Tariff Order, 2006 (6 of 2006) published in the Gazette of India, Extraordinary, Part III, Section 4 under notification No : 15-3/2006 - B&CS New Delhi, dated 31st August, 2006, subsequently amended vide the Telecommunication (Broadcasting and Cable) Services (Third)(CAS areas) Tariff (First Amendment) Order, 2006, (7 of 2006) published in the Gazette of India, Extraordinary, Part III, Section 4 under notification F. No 1-18/2006- B&CS dated 21st November 2006.

Note 2. The Explanatory Memorandum. explains the objects and reasons for the said amendments.

EXPLANATORY MEMORANDUM

In pursuance of the Hon 'ble Delhi High Court's direction to implement Conditional Access System (CAS) in parts of the three Metros of Delhi, Mumbai and Kolkata, the Telecom Regulatory Authority of India had issued Tariff Order on the 31st August 2006, specifying , among other things, ceiling of maximum retail price for pay channel, maximum amount that can be demanded for Free to Air Channels under the Basic Service Tier and a standard tariff package for supply of Set top Boxes on rental basis. The said Tariff Order was further amended on the 21st November 2006 to provide for tariff dispensation in respect of commercial cable subscribers. The Tariff Order dated the 31st August 2006 indicates that the amount of ceiling for maximum retail price for pay channel and the amount for Basic Service Tier charges shall be exclusive of taxes.

2. During the interactive meetings held with stakeholders, it was observed that the position in respect of the standard tariff package for supply of set top boxes under rental schemes would need a clarification with regard to inclusion or otherwise of the applicable taxes in the amount of rent and refundable security deposit specified in the Schedule to the Telecommunication (Broadcasting and Cable) Services (Third)(CAS areas) Tariff Order, 2006 (6 of 2006). For the tariff for pay channels and the basic service tier charges , the orders are clear that the rates fixed (of rupees five per subscriber per month and rupees seventy seven per subscriber per month respectively) are exclusive of taxes. A similar principle needs to be adopted for the rent and refundable security deposit specified in the Schedule to the Telecommunication (Broadcasting and Cable) Services (Third)(CAS areas) Tariff Order, 2006 (6 of 2006) for set top boxes. Accordingly, in order to make the position clear, a Note has been inserted, in the Option I and Option II of the said Schedule containing the tariff details for supply of set top boxes in CAS notified areas, clarifying that the amounts mentioned in the Option I and Option II of Schedule in respect of rent and refundable security deposits shall be exclusive of applicable taxes, if any.