

Telecommunication (Broadcasting and Cable) Services (Third) (CAS Areas) Tariff Order, 2006

CONTENTS

1. Short title, extent and commencement
2. Definitions
3. Notwithstanding anything contained in the Telecommunication (Broadcasting and Cable) Services (Second) Tariff Order 2004 (6 of 2004)
4. Tariff ceiling for basic service tier in CAS areas
5. Tariff for supply of set top boxes in CAS areas
6. Ceiling on maximum retail prices for pay channels in CAS areas
7. Reporting Requirement

SCHEDULE 1 :- Standard Tariff Package (STP) for Set Top Box

Telecommunication (Broadcasting and Cable) Services (Third) (CAS Areas) Tariff Order, 2006

In exercise of the powers conferred upon it under sub-section (2) and sub-clauses (ii), (iii),(iv) and (v) of clause (b) of sub-section (1) of section 11 of the Telecom Regulatory Authority of India Act, 1997 [24 of 1997] read with Notification No.39 (S.O. No. 44(E) and 45 (E)) dated 09/01/2004 issued from file No.13-1/2004-Restg by the Central Government under clause (d) of sub-section (1) of section 11 and proviso to clause (k) of subsection (1) of section 2 of the Telecom Regulatory Authority of India Act, 1997[24 of 1997], the Telecom Regulatory Authority of India, hereby makes the following Order, namely:-

1. Short title, extent and commencement :-

- (i) This Order shall be called "The Telecommunication (Broadcasting and Cable) Services (Third) (CAS Areas) Tariff Order, 2006 (6 of 2006)".
- (ii) This Order shall apply throughout the territory of India.
- (iii) This Order shall come into force from the date of its publication in the Official Gazette except as otherwise indicated elsewhere in the Order.

2. Definitions :-

In this order, unless the context otherwise requires,

- (a) "addressable system" means an electronic device or more than one electronic devices put in an integrated system through which television signals can be sent in encrypted or unencrypted form, which can be decoded by the device or devices at the premises of the subscriber within limits of the authorization made, on the choice and request of such subscriber, by the service provider to the subscriber;
- (b) "alternative tariff package" (ATP) means a tariff package which a service provider may offer, in addition to the standard tariff package, for supply of a set top box to the subscriber for receiving programmes;
- (c) "Authority" means the Telecom Regulatory Authority of India established under sub-section (1) of s.3 of the Telecom Regulatory Authority of India Act, 1997 [24 of 1997];
- (d) "basic service tier" means a package of free-to-air channels provided by a cable operator, for a single price to the subscribers of the area in which his cable television network is providing service and such channels are receivable for viewing by the subscribers on the receiver set of a type existing immediately before the commencement of the Cable Television Networks (Regulation) Amendment Act, 2002 without any addressable system attached to such receiver set in any manner;
- (e) "broadcaster" means any person including an individual, group of persons, public or body corporate, firm or any organization or body who or which is providing programming services and includes his or her authorized distribution agencies;
- (f) "CAS area" means the State(s), City(ies), Town(s) or Area(s), where, in terms of a notification issued from time to time under sub section 1 of S.4A of The Cable Television Networks (Regulation) Act 1995 (7 of 1995), it is obligatory for every multi system operator/cable operator to transmit or retransmit programmes of any pay channel through an addressable system;
- (g) "cable operator"(CO) means any person who provides cable service through a cable television network or otherwise controls or is responsible for the management and operation of a cable television network;
- (h) "commercial subscriber" means any subscriber who receives a programming service at a place indicated by him to a service provider and uses such signals for the benefit of his clients, customers, members or any other class or group of persons having access to such place;
- (i) "cable service" means the transmission by cables of programmes including re-transmission by cables of any broadcast television signals;

- (j) "cable television network" means any system consisting of a set of closed transmission paths and associated signal generation, control and distribution equipment, designed to provide cable service for reception by multiple subscribers;
- (k) "distributor of TV channels" shall have the same meaning as given in sub-clause (j) of clause (2) of the Telecommunication (Broadcasting and Cable Services) Interconnection Regulation 2004 (13 of 2004);
- (l) "direct to home operator"(DTH Operator) shall have the same meaning as given in sub-clause (k) of clause (2) of the Telecommunication (Broadcasting and Cable Services) Interconnection Regulation 2004 (13 of 2004);
- (m) "free to air channel" (FTA Channel) means a channel for which no fees is to be paid to the broadcaster for its retransmission through electromagnetic waves through cable or through space intended to be received by the general public either directly or indirectly and which would not require the use of an addressable system attached with the receiver set of a subscriber;
- (n) "maximum retail price"(MRP) is the ceiling price (exclusive of taxes) that will be payable by a subscriber to the cable operator or the multi system operator as the case may be for each pay channel or bouquet of pay channel;
- (o) "multi system operator"(MSO) means a cable operator who receives a programming service from a broadcaster or his authorized agencies and retransmits the same or transmits his own programming service for simultaneous reception either by multiple subscribers directly or through one or more cable operators and includes his authorized distribution agencies by whatever name called;
- (p) "ordinary subscriber" means any subscriber who receives a programming service from a service provider and uses the same for his/her domestic purposes;
- (q) "pay channel" means a channel for which fees is to be paid to the broadcaster for its retransmission through electromagnetic waves through cable or through space intended to be received by the general public either directly or indirectly and which would require the use of an addressable system attached with the receiver set of a subscriber;
- (r) "programme" means any television broadcast and includes
- (i) exhibition of films, features, dramas, advertisements and serials;
 - (ii) any audio or visual or audiovisual live performance or presentation and the expression 'programming service' shall be construed accordingly;
- (s) "service provider" means the government as a service provider and includes a licensee as well as any broadcaster, multi system operator(MSO), cable operator or distributor of TV channels;
- (t) "set top box"(STB) means a device, which is connected to, or is part of a television and which allows a subscriber to receive in unencrypted/descrambled form subscribed pay channels through an addressable system;
- (u) "standard tariff package" (STP) means a package of tariff as may be determined by the Authority for supply of a set top box to the subscriber by a service provider for receiving programmes;
- (v) "subscriber" means a person who receives the signals of a service provider at a place indicated by him to the service provider , without further transmitting it to any other person and includes ordinary subscribers and commercial subscribers unless specifically excluded;

3. Notwithstanding anything contained in the Telecommunication (Broadcasting and Cable) Services (Second) Tariff Order 2004 (6 of 2004) :-

- (i) the charges¹ payable by subscribers to cable operators/multi system operators/broadcasters in the CAS areas shall be determined by the provisions of this Order;
- (ii) the charges¹ payable by cable operators to multi system operators/broadcasters and by multi system operators to broadcasters in the CAS areas shall be determined by the provisions of the Telecommunication (Broadcasting and Cable Services) Interconnection;

4. Tariff ceiling for basic service tier in CAS areas :-

The maximum amount which a cable operator/multi system operator may demand from a subscriber for receiving the programmes transmitted in the basic service tier provided by such cable operator/multi system operator shall not exceed Rs.77/- per month exclusive of taxes, for a minimum of thirty free-to-air channels. Free-to-air channels over and above the basic service tier would also be made available to the subscribers within the maximum amount mentioned above. This ceiling shall be effective from 31st December, 2006 and shall remain in force until otherwise notified.

Explanation: In respect of CAS areas of Chennai where CAS has already been implemented, the ceiling mentioned in this clause shall take effect from the date of publication of this notification.

5. Tariff for supply of set top boxes in CAS areas :-

- (i) The provisions of this clause shall be effective from 15th October, 2006 and shall remain in force until otherwise notified.

(ii) Every multi system operator / cable operator in a CAS area shall compulsorily offer to the subscribers both Option I and Option II of the standard tariff package (STP) specified in the Schedule annexed to this Order. In addition, the multi system operator / cable operator will be free to offer alternative tariff packages (ATP) and the subscribers shall have the freedom to choose from amongst the tariff packages so offered including the standard tariff package specified by the Authority.

(iii) There shall be no levy or collection of any charges separately from the subscribers, either in the STP or in the ATP referred to in sub clause (ii) above, on account of

(a) installation of set top box;

(b) activation or reactivation of set top box;

(c) Smart Card / Viewing Card; and

(d) repair, maintenance or any other charges (for the first five years)

(iv) A subscriber in a CAS area who desires to receive one or more pay channel(s)/bouquets of pay channels may make an application, on or after 15th October 2006, to any one of the multi system operators/cable operators for supply and installation of one or more set top boxes in his premises as per the tariff contained in sub clauses (ii) and (iii) above.

(v) A multi system operator /cable operator as the case may be, on receipt of a request under sub-clause (iv), shall ensure compliance with the request within two days of completion of all formalities as specified in the Standards of Quality of Service (Broadcasting and Cable Services) (Cable Television - CAS Areas) Regulation, 2006 (8 of 2006) dated 23rd August, 2006 issued by the Authority.

Provided that where a subscriber has already taken a STB under the STP and takes a refund after surrendering the STB, then that subscriber will not be entitled to a new STB under the STP (from the same service provider) unless he/she is shifting residence to another city or to another area in the same city where the service is not available from the same multi system operator.

(vi) Without prejudice to the provisions contained in sub clauses (ii) to (v) above, a subscriber in a CAS area shall be free to buy a set top box of approved quality (as specified by Bureau of Indian Standards) from the open market, if technically compatible with the multi system operator's system, and no multi system operator or cable operator shall force any subscriber to buy or take on rent the set top box from him/her only. The multi system operator/cable operator shall transmit the requisite pay channels through the set top box acquired by the subscriber on his own.

(vii) In respect of Chennai, a subscriber shall have the option to opt for the tariff packages as per sub clauses (i) to (vi) above, or to continue with the existing rental or lease scheme.

6. Ceiling on maximum retail prices for pay channels in CAS areas :-

(i) It shall be mandatory on the part of the broadcaster to offer pay channels on a-la-carte basis to multi system operators, and multi system operators in turn shall offer pay channels on a-la-carte basis to cable operators. Similarly, multi system operators/cable operators shall also offer pay channels on a-la-carte basis to the subscribers. In addition to the a-la-carte offer, pay channels can also be offered in the form of bouquets.

(ii) In CAS areas, the ceiling in respect of maximum retail prices (MRP) payable by a subscriber to multi system operator/cable operator shall be five rupees per pay channel per month (exclusive of taxes). The maximum retail price for a pay channel within this ceiling shall be fixed by the broadcaster.

Provided that where the subscriber has opted for a pay channel for a period less than four months then the subscriber shall pay for four months of the MRP of the concerned pay channel.

(iii) The ceiling on MRP contained in sub clause (ii) above shall apply to all the existing pay channels as well as to new pay channels.

(iv) Notwithstanding anything contained in clauses 3.1, 3.2 and 3.5 of the Telecommunication (Broadcasting and Cable services) Interconnection Regulation, 2004 (13 of 2004), dated 10th December, 2004, the amounts payable by the MSOs to broadcasters and by cable operators to MSOs under the provisions of this order read with the provisions of clauses 5.1, 5.2 and 5.3 of the aforesaid Interconnection Regulation (as amended on 24.8.2006) shall not apply to non-CAS areas, to DTH operators or to any other distributor of TV channels.

(v) The nature of any channel, i.e., free to air or pay will normally remain the same for a period of one year. Any broadcaster of a free to air channel intending to convert the channel into a pay channel or vice-versa shall inform the Authority and give public notice one month before the scheduled date of conversion. The public notice shall be published at least in two newspapers, of which one should be a national newspaper and one in the same language as the channel proposed to be converted. The notice period of one month will be counted from the last date of publication in the newspaper, or from the date of receipt of intimation by the Authority, whichever is later. In addition, during the notice period, a scroll will also be run at periodic intervals on the channel proposed to be converted.

(vi) The provisions of sub clauses (i) to (v) above shall not apply to commercial subscribers and the same shall be

governed by the Supreme Court Order dated April 28, 2006 in Civil Appeal No.2061 of 2006.

(vii) The provisions of this clause shall take effect from 31st December, 2006.

7. Reporting Requirement :-

(i) All multi system operators in a CAS area shall report to the Authority tariff packages, including all terms and conditions, associated with the supply of set top boxes to the subscribers. The first such report shall be sent by 12th October, 2006 and thereafter any changes to these tariff packages shall be reported 7 days prior to the launch of a new tariff package.

(ii) All broadcasters shall report to the Authority, the MRPs fixed by them under clause 6(ii) for their pay channels to be effective from 31st December, 2006. The first such report shall be sent by 12th October, 2006 and thereafter any changes to these prices shall be reported 30 days prior to the change. All broadcasters shall also publish these MRPs on their respective web sites.

SCHEDULE 1

Standard Tariff Package (STP) for Set Top Box

(Digital Model)		
OPTION I		
Particulars	Monthly Rental Scheme with Security Deposit	
1.	Rent per month per Set Top Box	Rs. 30/-
2.	Security Deposit	Rs. 999/- per set top box
3.	Installation Charges	Nil
4.	Activation charges	Nil
5.	Smart Card/Viewing Card Charges	Nil
	Domestic and	Nil

6.	Repair and Maintenance Cost	
7.	Deduction from Refundable Security Deposit	<p>The multi system operator or cable operator shall be entitled to make deductions from the refundable security deposit at the rate of twelve rupees and fifty paise (Rs.12.50) for every month or part of the month</p>

for which the subscriber has used a set top box taken on rent or lease, while refunding such refundable security deposit to the subscriber upon return of the set top box at any time up to a period of five years from the date of hiring or leasing of the set

top box. This refund would be made where the STB has not been tampered with as provided in clause 6.3 of the Standards of Quality of Service (Broadcasting and Cable Services) (Cable Television CAS Areas) Regulation, 2006 (8 of 2006) dated 23rd August, 2006 issued by the Authority.

OPTION II

Particulars		Monthly Rental Scheme with Security
1.	Rent Per Month Per Set Top Box	Rs.45/- *
2.	Security Deposit (Refundable)	Rs.250/- per Set Top Box
3.	Installation	Charges Nil
4.	Activation	Charges Nil
5.	Smart Card/Viewing Card	Charges Nil
6.	Repair and Maintenance Cost	Nil
7.	Deduction from Refundable Security Deposit	The multi system operator or cable operator shall be entitled to make deductions from

the refundable security deposit at the rate of three rupees (Rs.3) for every month or part of the month for which the subscriber has used a set top box taken on rent or lease, while refunding such refundable security deposit to the subscriber upon return of the set top box at any time up to a period of five years from the date of hiring or leasing of the set top box. This refund

would be made where the STB has not been tampered with as provided in clause 6.3 of the Standards of Quality of Service (Broadcasting and Cable Services) (Cable Television CAS Areas) Regulation, 2006 (8 of 2006) dated 23rd August, 2006 issued by the Authority.