

**TELECOM REGULATORY AUTHORITY OF INDIA**

**22<sup>nd</sup> December , 2005**

**PRESS RELEASE No 103 /2005**

**Inflation adjustment of 4% permitted vide Tariff Amendment Order of 29.11.2005 stayed by TDSAT**

TRAI had issued a notification on 29.11.2005 allowing a 4% increase in cable charges on account of inflation adjustment w.e.f 1.1.2006 over and above 7% increase permitted for inflation adjustment w.e.f 1.1.2005 vide notification of 1.12.2004.

2. Grahak Hitvardhini Sarvajanik Sanstha, a Pune based consumer organization, had filed an appeal against the TRAI's notification of 29.11.2005 permitting 4% increase in the ceiling for cable charges w.e.f 1.1.2006. The appeal was heard by Hon'ble TDSAT on 20.12.2005. The operation of the said notification has been stayed by the Hon'ble TDSAT. The text of the order dated 20.12.2005 of Hon'ble TDSAT is as under:

“We request Mr. Navin Chawla, learned counsel who is present in the Court, to assist the Court in this matter as *amicus curiae*. A copy of the appeal has been given to him.

Heard learned counsel for the respondent. Until further orders, in the interest of justice, we stay the increase of 4% in the subscription contemplated by the Notification dated 29<sup>th</sup> November, 2005 of the respondent.

Let a copy of this order be communicated to the representative of the appellant Sanstha, indicating the next date of hearing also.

List this matter on 8<sup>th</sup> February 2006 for directions /further proceedings”

3. In view of the order of the hon'ble TDSAT, all concerned are informed that the increase in the ceiling for Cable charges of 4 % wef 1.1.2006 permitted vide TRAI's notification of 29.11.2005 will not come into force. The 7% increase permitted wef 1.1.2005 vide TRAI's earlier notification of 1.12.2004 would however remain.