

**GOVERNMENT OF INDIA
INFORMATION AND BROADCASTING
LOK SABHA**

UNSTARRED QUESTION NO:2286
ANSWERED ON:23.11.2010
INVESTMENT IN SET TOP BOXES
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Will the Minister of INFORMATION AND BROADCASTING be pleased to state:

- (a) whether the Telecom Regulatory Authority of India (TRAI) has suggested that cable television companies have to invest in set-top boxes and analogue television should be completely phased out;
- (b) if so, whether the implementation of the TRAI recommendations would be an additional financial burden on both viewers and service providers;
- (c) if so, the details thereof;
- (d) whether the Doordarshan is executing its own plans to go digital by 2017;
- (e) if so, the details thereof;
- (f) whether in order to incentivize stakeholders to switch to digital addressable format, the TRAI has suggested a tax holiday for service providers, besides calling for rationalization of taxes and has also favoured bringing down the basic custom duty to zero on head-end equipment and set-top boxes for the next three years;
- (g) if so, the details thereof; and
- (h) the extent to which these steps have been beneficial for both the stakeholders and the viewers?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF INFORMATION AND BROADCASTING (SHRI C. M. JATUA)

(a)to(c) TRAI has issued recommendations regarding implementation of Digital addressable Cable System in India dated 5th August 2010. In the recommendations, a roadmap has been suggested to the Government for implementation of Digital Addressable Cable TV System, phasing out the Analogue Cable TV system in four phases as under:

- Phase I: In four Metros – Delhi, Mumbai, Kolkata and Chennai, by 31st March 2011.
- Phase II: In all cities having a population of over one million, by 31st December 2011.
- Phase III: In all other urban areas (Municipal corporations/municipalities), by 31st December, 2012.
- Phase IV: In the rest of India, by 31st December, 2013.

Viewers will require a Set top box for availing the services which could be provided by Cable TV Companies (MSO/LCO) or owned by the subscriber. The implementation of Digital addressable system would enable better quality of services, more channels, choice of channels and new services including interactive services as well as broadband internet services. This would require investment in the upgradation of the cable Headends consumer premises equipment (Set top boxes), training and education of the service providers and awareness of the consumers.

(d) & (e) Yes Sir. The digitalization of network and services of Doordarshan is targeted to be completed by 2017 depending on the availability of Plan funding. In the 1st phase in the XIth Plan Scheme an amount of Rs. 620 crores has been approved by the Government which interalia includes digitalization of 40 Transmitters and 39 Studios. First phase is likely to be completed by 2013.

(f) & (g) TRAI has recommended to treat all the service providers who have set up a digital addressable distribution network before the sunset dates, similar to the telecom service providers and be eligible for income tax holiday for the period from the date of setting up of the network, or 1.4.2011 whichever is later, till 31.3.2019. Also, rationalization of taxes/levies and bringing down of the basic custom duty to zero level for the next three years on Headend equipments and Set Top Boxes have been recommended to give a boost to conversion of broadcast distribution network to the digital addressable network.

(h)The roadmap laid out by TRAI is with a view to lead to the overall structured growth of the sector benefitting all stakeholders including viewers.