

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

UNSTARRED QUESTION NO:4508

ANSWERED ON:30.08.2011

AMENDMENT IN CABLE ACT

Adhalrao Patil Shri Shivaji; Adsul Shri Anandrao Vithoba; Dharmshi Shri Babar Gajanan; Yadav Shri Dharmendra

**Will the Minister of INFORMATION AND BROADCASTING be pleased to state:**

- (a) whether there is any provision in the Cable Television Networks (Regulation) Act, 1995 that every cable operator should get himself registered with the Registering Authority;
- (b) if so, whether there is no provision in the said Act to check the cable operators who do not pay duty/entertainment tax to the State Governments;
- (c) if so, the details thereof and the corrective measures taken by the Government to avoid losses to the exchequer;
- (d) whether the various State Governments including Maharashtra have requested the Union Government to give power to the Registering Authority to refuse granting the Registration Certificate/renewal of the said certificate to those cable operators, who have not paid the entertainment tax/duty under the said Act;
- (e) if so, the details thereof and the action taken/being taken by the Government in this regard;
- (f) whether the Government proposes to amend the said act for the purpose;
- (g) if so, the details thereof; and
- (h) the time by which such amendment is likely to be made in the said Act?

**Answer**

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

(a) to (h): Yes sir. In Chapter II Section 3 and 4 of the Cable Television Networks (Regulation) Act, 1995, it is provided that no person shall operate a cable television network unless he is registered as a cable operator under this Act and any person who is operating or desirous of operating cable television network may apply for registration as a cable operator to the registering authority in such form and accompanied by such fee as may be prescribed. There is no provision in the Act in its present state to check the cable operators who do not pay duty/entertainment tax to the State Governments. The Government of Maharashtra raised the issue of non realization of entertainment duty levied on cable operators. It was brought to the notice that the entertainment duty to be paid by the cable operators is levied on the basis of number of cable connections provided by them and that there is rampant under declaration of cable connections by the cable operators, leading to evasion of entertainment tax in Maharashtra. In this context, the State Government requested the Ministry to make necessary amendments in the Cable Act enabling the Post and Telegraph Department (Registration Authority) to refuse the grant of Registration or renewal certificate to those cable operators who have not paid the entertainment duty under the State Act. The proposal of the State Government of Maharashtra also seeks an amendment in the Act to enable the registering authority to refuse registration and renewal of registration in cases of non-payment of entertainment duty. Telecom Regulatory Authority of India (TRAI), meanwhile, had made two recommendations with regard to cable sector, namely, "Restructuring of Cable TV services" and "Digital Addressable Cable TV System in the country". In pursuance of these recommendations, the Ministry is proposing to make certain amendments in the Cable Television Networks (Regulation) Act, 1995 which, inter-alia provides for prescribing certain terms and conditions for registration/renewal of license of cable operators through Rules. The issue of nonpayment duty/entertainment tax by cable operators and consequences thereof will be addressed through these terms and conditions. Further, the Ministry proposes to introduce digital addressable system in the cable TV sector with sunset date for analogue cable TV services as on 31st December, 2014. Digitalization would bring in much needed transparency in the subscriber base for accurate assessment of tax revenue payable by cable operators.