

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

UNSTARRED QUESTION NO:2531

ANSWERED ON:06.02.2014

DIGITIZATION

Sugumar Shri K.

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

- (a) whether the Government has stayed the course of digitization to correct the skewed revenue model and if so, the details thereof;
- (b) whether the Government expected that this would lead to direct revenue from subscribers removing intermediaries and reduce carriage fees which broadcasters had to pay up and if so, the details thereof;
- (c) whether this has not happened to the extent the Government had expected; and
- (d) if so, the details thereof and the reaction of the Government thereto?

**Answer**

THE MINISTER OF STATE (INDEPENDENT CHARGE) FOR THE MINISTRY OF INFORMATION AND BROADCASTING (SHRI MANISH TEWARI)

(a) to (d): Digitisation of cable TV in India is to be completed in 4 phases by 31st December 2014. Phase-I and Phase-II of digitisation have already been completed. Phase-III is to be completed by 30th Sept 2014 whereas Phase-IV is to be completed by December, 2014. Cable TV Services value chain comprises four main entities i.e. Broadcasters, Multi System Operators (MSOs), Local Cable Operators (LCOs) and the end consumers. The objective of digitization is to bring transparency in the subscriber base. This would lead to a host of benefits for all stakeholders. Consumers would get superior quality picture, choice of channels and value added services. Cable operators would be able to provide state of the art services to cable subscribers to stay in competition with DTH. Broadcasters would get enhanced subscription revenue and would be less dependent on advertising revenue. For the Government, digitization would improve tax recovery and would plug tax leakages. Overall digitization would lead to economic advantage to the country. Data provided by the Industry and other stake holders shows that in phase-I, carriage fee has started showing a downward trend whereas there is a substantial increase in the subscription revenue. Data from State Governments also shows that there is a significant increase in the collection of the entertainment and service tax from cable TV sector due to enhanced transparency in the subscriber base. The cable capacity has also increased and most of the operators are carrying more than 200 TV channels. Full benefits of the Digital Addressable System (DAS) would come in force once the entire country is digitized.