GOVERNMENT OF INDIA MINISTRY OFINFORMATION AND BROADCASTING RAJYA SABHA QUESTION NO21.12.2009 ANSWERED ON FOREIGN INVESTMENT IN BROADCASTING SECTOR .

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Shri Shivanand Tiwari

Will the Minister of COALCOALINFORMATION AND BROADCASTING be pleased to state :-

(a)whether it is fact that foreign capital investment is still allowed in various fields of broadcasting sector;

(b)if so, the fields of broadcasting sector and percentage of foreign capital investment allowed therein;

(c)whether a proposal to increase this investment further is under consideration;

(d)if so, the details thereof; and

(e)the present percentage of foreign capital investment out of the total investment in broadcasting sector?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF INFORMATION AND BROADCASTING

(SHRI C. M. JATUA)

(a): Yes, Sir.

(b): The percentage of foreign capital investment allowed in different fields of broadcasting sector is as follows: >pre

- (i) FM Radio
- (ii) DTH Broadcasting Service
- (iii) Cable Television Services
- (iv) Headend-in -the-Sky Services
- (v) News & Current Affairs TV Broadcasters
- (vi) Non News TV Broadcasters

(vii) Setting up of hardware facilities such as Uplinking, HUB etc.20%49% Within this, FDI component not to exceed 20 % 49%74%26%100%49% >pre

(c) and (d): On a reference made by the Government on 11.12.2007, the Telecom Regulatory Authority of India (TRAI) on 26.04.2008 submitted the recommendations on foreign investment limits for broadcasting sector. While recommending raising of FDI levels TRAI considered that

(i) instead of having differing limits for various sub-sectors of broadcasting, a uniformity of approach is required depending on it being a carriage service or a content service

(ii) convergence of technologies in the Telecom and Broadcasting services has made it necessary for a level playing field with respect to FDI in the two sectors and

(iii) Foreign investment in Carriage services like DTH, HITS, Cable Network, Satellite radio and Mobile television services should be 74%. While TRAI has recommended foreign investment should be 49% in FM Radio and Uplinking of TV News channels. It has recommended status quo for 100% foreign investment allowed in Downlinking of TV channels and Uplinking of Non-News TV channels. The details of the recommendations of TRAI are available on their website (www.trai.gov.in). In view of the Press Note No. 2 and 4 (2009 Series) issued by Department of Industrial Policy and Promotion (DIPP) in February 2009 rationalizing calculation of indirect foreign investment in sectors attracting FDI caps including the broadcasting sector, the Ministry has on 30.9.2009 requested the TRAI to revisit the recommendations in the light of these press notes.

(e) : Department of Industrial Policy and Promotion, Ministry of Commerce and Industry has informed that from April 2000 to September 2009 as per data maintained by them, the FDI received in Radio Broadcasting and electronic media is 0.91% and 0.22% of the total inflows in the respective sectors .