

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

UNSTARRED QUESTION NO:1341
ANSWERED ON:02.03.2006
FDI IN TV CHANNELS
Rawat Shri Bachi Singh

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

- (a) whether the Government has permitted Foreign Direct Investment (FDI) in Television (T.V.) channels;
- (b) if so, the details thereof alongwith the extent of FDI permissible; and
- (c) the procedure and criteria being followed by the Government before permitting FDI?

Answer

THE MINISTER OF INFORMATION AND BROADCASTING AND PARLIAMENTARY AFFAIRS (SHRI P.R.DASMUNSI)

(a) : Yes, Sir. FDI is permitted in TV channels uplinked from India.

(b) : As per Guidelines for Uplinking from India issued on 2.12.2005, Foreign Equity holding including FDI/FII/NRI investments should not exceed 26% of the Paid Up equity of the applicant company desirous of uplinking a news & current affairs TV channel. However, the entity making portfolio investment in the form of FII/NRIs deposits shall not be "persons acting in concert" with FDI investors, as defined in Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997. The Company, permitted to uplink the channel shall certify the continued compliance of this requirement through its Company Secretary, at the end of each financial year. However, there is no equity restriction on the companies applying for permission to uplink non-News and Current Affairs TV channels.

(c) : Foreign Investment Promotion Board (FIPB) Unit of Ministry of Finance is the nodal agency of Government of India for permitting FDI in companies within sectoral limits. For broadcasting companies, FIPB seeks comments from Ministry of Information & Broadcasting apart from comments of other Ministries/Departments concerned, before permitting FDI in these companies. Final approval is granted by FIPB.