

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

UNSTARRED QUESTION NO:1874
ANSWERED ON:08.03.2011
FM RADIO SERVICES
Reddy Shri Anantha Venkatarami

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

(a) whether it has come to the notice of the Government that several foreign owned radio companies including State-run China Radio International are trying to buy frequencies to launch its services in the country; and

(b) if so, the details thereof and the reaction of the Government in this regard?

Answer

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

(a) Yes Sir. Government is aware of certain newspaper reports stating that China Radio International is trying to buy frequencies to launch services in India. As per the present policy on FM Radio for private agencies, only Indian companies are allowed to establish FM Radio in India. However, as per the FM policy (Phase-II), a foreign investment is permissible to extent of only 20% of the paid up equity of an entity holding permission for a private FM Radio channel. To safeguard national interest, foreign investment in FM Radio sector has been provided through Foreign Investment Promotion Board (FIPB) route and is not through automatic route. FIPB chaired by Finance Secretary has representatives interalia from various Ministries/Departments including Ministry of Home Affairs, Ministry of External Affairs, Department of Revenue and the Ministry of I&B. Any Indian radio company seeking foreign investment is required to apply to FIPB disclosing the names of Foreign Direct Investment (FDI) investors. After inputs from concerned Ministries/Departments FIPB takes a view on permitting foreign investment.

(b) This Ministry is not yet in receipt of an application by the State run China Radio International to acquire shareholding in any FM radio company in India.