

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

UNSTARRED QUESTION NO:1393  
ANSWERED ON:09.08.2011  
FDI IN BROADCASTING SECTOR  
Naranbhai Shri Kachhadia

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

- (a) whether the Government proposes to enhance the percentage of Foreign Direct Investment (FDI) in the broadcasting sectors;
- (b) if so, the details and purpose thereof, sector-wise; and
- (c) the existing percentage of FDI in the field of broadcasting in the country?

**Answer**

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

(a) to (c): Yes, sir. The Ministry is proposing to enhance FDI limits in various segment of broadcasting sector, as per the recommendations of TRAI. These, inter-alia, include uniform FDI limit of 74% for all carriage services, including, DTH, IPTV, Mobile TV, HTS and Teleport services; 74% FDI limit for Multi System Operators (MSOs) in the cable sector taking up digitalization with addressability; 49% FDI limit for Local Cable Operators; 100% FDI for uplinking of non-news and current affairs channels and downlinking of TV channels and 26% for news and Current Affairs TV Channels. Recently, the Cabinet, while approving the policy guidelines for the expansion of FM Radio (Phase-III), has also approved 26% foreign investment limits in FM Radio. It is also proposed to permit FDI up to 49% through automatic route for all carriage services. For content services such as uplinking, downlinking and FM radio, no automatic route is allowed. The Ministry, in consultation, with TRAI has also formulated certain terms and conditions to take care of security related and other concerns in view of the proposed enhanced FDI levels.

The rationale for enhancing FDI in broadcasting carriage services is to bring in parity with telecom sector in view of convergence of technologies. More so, these carriage services are in the nature of infrastructure services and any foreign investment in these sectors would help the service providers to strengthen their infrastructure. The prime objective of increasing FDI in cable sector is to meet the capital requirement for the proposed digitalization of cable TV. Since digitalization is capital intensive programme, the foreign investment can be a source to supplement the capital requirement. The existing and proposed percentage of FDI in the broadcasting sector is given at the Annexure.