

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3730
ANSWERED ON:27.04.2012
FDI IN PRINT MEDIA
Aron Shri Praveen Singh

Will the Minister of FINANCE be pleased to state:

(a) whether Foreign Investment Promotion Board (FIPB) gives approvals to foreign money lenders/companies for making investments in Indian newspapers through Mauritius route and if so, the details thereof for the last three years and the current year;

(b) whether such foreign companies are also indulging in the conversion of such equity investment into debt instruments through some shareholders' agreements and Exit Rights and if so, the steps being taken to protect the interests of Indian Newspapers from falling prey to foreign influence; & whether any matter has been referred to the Directorate of Enforcement for an enquiry by any Statutory Body including the Reserve Bank of India (RBI) the Ministry of Information and Broadcasting (MIB) and FIPB against a foreign investor and their equity investments in a Indian Hindi language newspaper having violated the FIPB sanction and sectorial cap; and

(d) if so, the details thereof and status of the aforesaid reference and action taken or proposed to be taken thereto?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

(a): The extant Foreign Direct Investment (FDI) Policy provides that FDI and investment by Non Resident Indians/Persons of Indian Origin/Foreign Institutional Investors is permitted in the business of publishing of newspapers and periodicals dealing with news and current affairs upto 26 per cent with prior approval of the Government. As per available records, no such investment has been made in the said sector in the last three years. (b) to (d): Complaints pertaining to investment in M/s Amar Ujala Publications Ltd by M/s D E Shaw Composite Investments (Mauritius) Ltd, Mauritius have been forwarded to the Enforcement Directorate for appropriate action.