



August 12, 2013

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Telecom Regulatory Authority of India
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Dear Sir,

Sub.: Comments on Consultation Paper No. 7/2013 dated July 30, 2013 on Foreign Direct Investment in Broadcasting Sector in India

We are thankful to the Hon'ble Authority to afford us an opportunity to tender our views with regard to the Consultation Paper number 07/2013 dated July 30, 2013, on Foreign Direct Investment (FDI) in Broadcasting Sector in India.

At the outset, we concur the views of the Hon'ble Authority on the need to liberalise the FDI limits in the Broadcasting Sector, which not only leads to, growing source of equity investment for developing economies, but also it brings with it considerable benefits through transfer of technology, strengthening infrastructure, raising productivity, enhancing competitiveness of the domestic economy and generating new employment opportunities.

We believe that the proposals made by the Hon'ble Authority are in the best interest of the Broadcasting Sector.

In this regard, we would like to present our views attached herewith in Annexure on the captioned subject for your good offices' review and consideration.

We request you to please let us know if your good office needs any clarification on same.

For IndiaCast UTV Media Distribution Private Limited

A handwritten signature in blue ink, appearing to read "Srivals Kumar", is written over a horizontal line.

Srivals Kumar

Head- Legal & Regulatory

RESPONSE TO THE
CONSULTATION PAPER NO. 7/ 2013

RESPONSE TO
CONSULTATION PAPER
ON
FOREIGN DIRECT INVESTMENT IN BROADCASTING SECTOR IN INDIA

AUGUST 12, 2013

SRIVALS KUMAR

HEAD- LEGAL AND REGULATORY

INDIACAST UTV MEDIA DISTRIBUTION PRIVATE LIMITED

Sr. No.	Segment-wise Proposals
1	<p>Segment – Teleport, DTH, HITS, Mobile TV and Cable TV Networks Existing Limits – 74% (upto 49% -Automatic route and beyond 49% - FIPB route) Proposed Limits - 100% (upto 49% -Automatic route and beyond 49% - FIPB route)</p> <p>Our Proposals – 100% through Automatic Route Rational - These segments constitute the carriage services which are primarily in the nature of infrastructural services. In order to further strengthen the infrastructure segment with substantial FDI, <u>our view is that 100% FDI should be permitted in these segments under the automatic route.</u></p>
2	<p>Segment – Downlinking of TV Channels Existing Limits – 100% through FIPB route Proposed Limits - 100% through FIPB route</p> <p>Our Proposals - 100% through Automatic Route Rational - The Ministry of Information and Broadcasting, Government of India, has formulated policy guidelines for downlinking of all satellite television channels downlinked/received/transmitted and re-transmitted in India for public viewing. These guidelines lay down an elaborate set of rules and regulations for downlinking of TV channels for public viewing in India.</p> <p>Considering the fact that sufficient content rules and guidelines exist for ensuring that content deemed undesirable or subversive in nature is not downlinked for public viewing in India, <u>we would urge the Authority to allow 100% FDI for downlinking of TV channels under the automatic route.</u></p>
3	<p>Segment – Uplinking of Non-News & Current Affairs TV Channels Existing Limits – 100% through FIPB route Proposed Limits - 100% through FIPB route</p> <p>Our Proposals - 100% through Automatic Route Rational - The content shown on non-news & current affairs TV channels is primarily for the entertainment of the viewers. There exists a separate set of guidelines for regulating the content which can be shown on such channels. These guidelines have been framed by IBF (Indian Broadcasters Federation) and are adhered to by all the broadcasters. Further, a programming code also exists under the Cable Television Networks (regulations) Acts 1995. This shows that sufficient guidelines exist for content monitoring and regulation to ensure that content deemed undesirable or subversive in nature is not broadcast through TV channels and thus there is no need for FDI limits to be used as a tool for content monitoring and regulation.</p> <p><u>In view of the same, we would urge the Authority to allow 100% FDI for uplinking of non-news & current affairs TV channels under the automatic route.</u></p>
4	<p>Segment – FM Radio Existing Limits – 26% through FIPB Route Proposed Limits - 49% through FIPB Route</p>

	<p>Our Proposals - We concur the views of the Authority to increase the FDI limits in FM radio from 26% to 49% through FIPB Route.</p>
5	<p>Segment – Uplinking of News & Current Affairs TV Channels Existing Limits – 26% through FIPB Route Proposed Limits - 49% through FIPB Route</p> <p>Our Proposals - 100% through Automatic Route Rational – As on date, there are stringent content monitoring guidelines in place for news & current affairs TV channels. In addition to content monitoring guidelines, the uplinking guidelines provides suitable safeguards to ensure that content which is intrinsically sensitive in nature or which can influence public opinion is not telecasted. The uplinking guidelines also provide that the CEO of a company that uplinks news & current affairs TV channel should be a resident Indian. Further, majority of the board of directors of such a company should also be resident Indians. In addition to this, sufficient guidelines exist for security clearance of personnel, infrastructure/network/software related requirements ensuring monitoring, inspection and submission of information for such TV channels. In view of this, we are of the view that there is no need for FDI limits to be used as a tool for content monitoring and regulation for news & current affairs TV channels.</p> <p><u>Thus, we would urge the Authority to allow 100% FDI even for uplinking of news & current affairs TV channels under the automatic route.</u></p>

END OF PROPOSAL