

2nd April 2008

Mr. R. N. Choubey,
Principal Advisor (B& CS)
Telecom Regulatory Authority of India
Mahanagar Doorsanchar Bhawan,
Jawahar Lal Nehru Marg,
New Delhi-110 002

Dear Sir,

Underlined herein are our views on the Consultation Paper issued by the TRAI with respect to Revision of FDI limits for the Broadcasting Sector:

1. We welcome the steps taken by the MIB and the TRAI to relook the existing FDI regime with respect to broadcasting, and are pleased to note that the TRAI is proposing an upward revision in all cases, but one.
2. We welcome the steps taken to increase the FDI limits in the carriage part of the business to 74% (barring cable networks), and believe that this would go a long way in bringing in additional funding for these businesses, which need funding for digitization their networks. Digitization as we all know is the stated policy objective of the Government, and sorely needed to deal with the capacity constraints of the analogue system.
3. We are however disappointed to note that no change is being proposed in the current limit of 26% for TV Channels (News and Current Affairs). We propose that this limit be increased to 49% at the very least, if not raised higher. The Uplink policies of the MIB already impose the terms under which news channels can operate, including on hiring of Indian nationals, etc. The increase to 49% will not result in management or editorial control passing to foreign entities, but will make available sources of funding for the sector.
4. Likewise, with respect to FM Radio we believe the proposed limit of 24% is far too restrictive, and we would recommend increasing the FDI limit to 49%.

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5. May we request that these limits be reviewed on an annual basis.

We would appreciate if we could be kept informed of the time and date of the TRAI Open House so that a representative from our organization is present to represent us.

With regards

Yours sincerely



K V L NARAYAN RAO
GROUP CEO & EXECUTIVE DIRECTOR