

Government of India
Ministry of Commerce & Industry
Department of Industrial Policy & Promotion
SIA (FC Division)

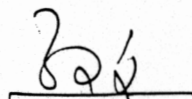
PRESS NOTE NO. 6 (2005 SERIES)

Subject: FDI in Terrestrial Broadcasting FM.

Till now, foreign investment was permitted in Terrestrial Broadcasting up to 20% under the Portfolio Investment Schemes under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000 and Foreign Direct Investment (FDI) was not permitted by foreign entities..

2. Government of India has recently announced Phase II of the programme for expansion of FM radio broadcasting services through private agencies to supplement and complement the efforts of the All India Radio by operationalising radio for providing programmes with local content and relevance, improving the quality of fidelity in reception and generation, encouraging participation by local talent and generating employment.

3. The Government has now decided to permit foreign investment, including FDI, NRI and PIO investments and portfolio investments up to 20% equity for FM Radio's Broadcasting Services subject to such terms and conditions as specified from time to time by Ministry of Information and Broadcasting for grant of permission for setting up of FM Radio Stations.



(Umesh Kumar)

Joint Secretary to the Government of India

F. No. 5(35)/99-FC dated 15th November 2005

Copy forwarded to Press Information Officer, Press Information Bureau, for giving wide publicity to the above Press Note.