

RBTV/TRAI/LT/13-14/3080  
12<sup>th</sup> August, 2013

**Mr. Wasi Ahmad,**  
Advisor (B&CS),  
Telecom Regulatory Authority of India ("TRAI"),  
Mahanagar Doorsanchar Bhawan,  
Jawahar Lal Nehru Marg,  
**New Delhi-110002**

**Subject: Consultation on Foreign Direct Investment in Broadcasting Sector in India.**

Dear Sir,

1. This has reference to the Consultation paper on Foreign Direct Investment in Broadcasting Sector in India, which has been rolled out by TRAI seeking views of the stakeholders.
2. We, as a DTH service provider, welcome the move to increase the foreign investment cap from the existing limit of 74% to 100% in the DTH/IPTV Sector. The DTH/IPTV industry at present is starved of funds and enhanced FDI limit would provide additional source of funding for the industry.
3. The DTH/IPTV service requires significant investment towards expansion of capacity and deployment of technologies like HD, DVR etc. In addition, DTH/IPTV operators also have very high customer acquisition cost as STBs are provided at very subsidized rate. Therefore, there is continuous requirement of investment in DTH sector. Thus enhanced FDI limits would provide a good source of funding for the sector.
4. FDI in DTH/IPTV sector not only bring funding but open many other avenues of technology up-gradation, access to exclusive content etc.
5. It may be noted that DTH/IPTV is only providing carriage service for TV channels and therefore it is in the nature of infrastructural. Therefore, DTH is similar to the telecom network. The Government has already taken decision to increase the FDI limit for telecom services to 100% with FDI up to 49% through the automatic route and FDI beyond 49% through FIPB. The decision to increase the FDI limit to 100% for DTH service would be totally in line with the FDI limits for telecom sector. The decision to enhance foreign equity in DTH sector would be consistent with the Government's earlier decision to increase the FDI limit in DTH from 49% to 74% so as to bring it in line with the telecom sector.

6. Consistent FDI limits between DTH/IPTV and telecom would help operators to align network, billing, and customer support services etc for DTH/IPTV and telecom operations. This would promote efficiency and smooth operation of these two similar services.

***In view of the above we fully support the TRAI proposal to revise the FDI limit in DTH/IPTV sector to 100%.***

Thanking you,

Yours Sincerely,  
For **Reliance BIG TV Limited**

**(Authorised Signatory)**

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