

Government seeks compliance on FDI policy for digital news media

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NEW DELHI : The ministry of information and broadcasting has asked digital news media outlets to comply with conditions that make them eligible for 26% FDI (foreign direct investment) approved by the Union Cabinet last year.

In a statement issued Monday, MIB sought compliance of its earlier orders from digital news portals and websites, aggregators and agencies. To enable eligible entities to comply with the government decision, they are required to take certain steps, MIB said. For instance, companies with FDI below 26% have to intimate the ministry within the next month, with details of shareholding pattern, names of directors and promoters, confirmation with regard to compliance with pricing, documentation and reporting requirements under the FDI policy, and Foreign Exchange Management Rules, PAN, latest profit and loss balance sheets along with auditor report.

Entities with FDI exceeding 26% are to furnish the same details and take necessary steps to bring the FDI down by 15 October, 2021 and seek MIB approval.

Any entity which seeks to bring fresh foreign investment into the country, has to seek prior approval from the central government through the Foreign Investment Facilitation Portal of the Department for Promotion of Industry and Internal Trade, the statement added.

Late last month, the ministry had clarified that digital news sites would have to adhere to certain conditions like majority of directors on the board and its chief executive officer being Indian citizens, and obtaining security clearance for foreigners deployed for more than 60 days by way of appointment, consultancy or contract. In case a foreigner is denied clearance or if it is withdrawn, the ministry said the media outlet should make sure they resign or their services are terminated.