



## IBF seeks economic relief and rehabilitation package for Broadcast Sector

**20 April 2020, New Delhi:** The Indian Broadcasting Foundation (IBF), has sought Government's support to deal with the economic crises in the Television Broadcast Sector as a fallout of the COVID-19 outbreak in the country.

In its letter to Prakash Javadekar, Minister for Information and Broadcasting, IBF has made the following requests:

1. Regulatory moratorium for the sector for at least next 18 months.
2. Phased resumption of production activities.
3. Extension of moratorium period for GST payment.
4. Mandating Digital Payments of Subscription and Advertising dues to Broadcasters.
5. Advisory to DPOs in respect of release of payment of subscription fees for the period upto 29th Feb 2020
6. Waiver of Processing Fee and Temporary live uplinking fee for live sporting events for a period of one year from the resumption of normal business activities.
7. Increase in time period of one year to two years for operationalization of new channels which have been granted permission.
8. Suspension of requirement of Performance Bank Guarantees in respect of channels sought to be launched for a period of one year.
9. Waiver of Carriage Fee due to Prasar Bharati for 3 months (April, May and June) for FTA Channels on Prasar Bharati's Free Dish Platform.
10. Deferment of payment due to Prasar Bharati for Free Dish carriage by 31 March 2020 be deferred until July 2020.
11. All pending refunds even exceeding Rs. 5 Lacs should be urgently processed.
12. The 1st instalment of advance tax (due on 15 June 2020) should be done away with and taxpayers be allowed to pay the 2nd instalment (due on 15 September 2020) directly without any interest liability
13. The due date for deposit of TDS for the months of March and April 2020 should be extended to 31 May 2020 without any interest liability.
14. Extension /waiver of permission for FX payments for foreign satellite transponder hiring.
15. Lower rate of TDS from 10% to 2% on subscription revenues
16. Payment of stamp duty on agreements should be deferred upto expiry of ninety (90) days' from the date of lifting of nation-wide lockdown.
17. Allow discharge of GST reverse charge obligation through GST input credit rather than paying in cash.



18. Extend all existing stay of income tax demand for next 6 months without any new hearing.

N P Singh, President-IBF said *“The outbreak of the pandemic and the subsequent lockdown have posed several challenges for the Television Broadcast Sector. With complete cessation of production of television shows, cancellations of live sporting events and scheduled advertisements, advertisement bookings nosediving by ~50%; delays in payments by advertising agencies/advertisers and distribution platform operators, the Broadcast sector is facing the brunt of the slowdown”.*

*“Moreover, while we welcome the compliance and statutory relaxations granted by the Government in its latest notification of 15<sup>th</sup> April, the Broadcast Sector is seeking a stimulus package from the Government in the form of economic relief and regulatory flexibility so that all Broadcasters especially the smaller businesses can be helped to get back on track. IBF has also requested the Government for reduction in GST rate on Digital services (B2C), automatic refund of input credit and immediate processing and issuance of Lower withholding order (LTDS)”.*

IBF’s press release suggests that the broadcasting business has been hit both on the demand and supply side which has not only led to cash flow problems but has also resulted in existential crisis for many of IBF’s members. IBF members’ cash flow difficulties are further compounded because payments from Bureau of Outreach & Communication (BOC) and other State Government Advertising Agencies/Advertisers running in several hundreds of crores have not been received and IBF has sought MIB’s intervention in expediting these payments.

The Government has notified “Print and Electronic Media including broadcasting, DTH and cable services” as one of the “Essential Services” during the lockdown period. However, with employees unable to go to work because of commute restrictions and production schedules halted for programming across the sector, providing uninterrupted entertainment and news to the viewers is posing a challenge to broadcasters.

*“IBF has submitted a Standard Operating Procedure (SOP) on prevention/safety measures for organized, safe and sustainable re-start of Content Production, Media Operations, Transmission and General Office Operations in the TV Broadcast Sector to the PMO, Niti Aayog and MIB”* said Mr. Singh. He added *“the SOP will help the sector to move quickly towards normalcy and we certainly hope that the Government would consider it favourably”.*

The directions of the Ministry of Home Affairs (MHA) has not percolated to the District level officers, as a result, the employees involved in the day to-today operations of the broadcasting industry are facing problems in commuting to their work place. This needs to be urgently looked at by the respective State Governments to ease out the operations after strictly following the Standard Operating Procedures as envisaged in the IBF



Submission to the Government and also other stringent measures undertaken by the Central and State Governments.

\*\*\*

### **About IBF**

Indian Broadcasting Foundation is a not-for-profit industry association. IBF represents and is dedicated to the promotion of television broadcasting in, to and from India. IBF members provide channels and programmes that deliver about 90% of television viewership in India. Member offerings cater to most of India's diversity and plurality in every language and in every genre of television viewing. The Foundation provides a meeting ground for its members to work in consensus on common goals. The Foundation offers a common platform/forum in which members' air new or improvement opportunities to arrive at implementable solutions. IBF has, over the years, achieved the unique position of the accredited spokes-body of the television broadcasting industry. IBF endeavours to work closely with and align industry, policy makers, regulators and partners so that the television sector in the media and entertainment industry grows to its fullest potential in an equitable manner.