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**PE FIRM HOLDS 49% IN MUMBAI-BASED MID-SIZED CABLE COMPANY OWNED BY JAGJIT SINGH KOHLI**

# UK's Ashmore in talks to exit Digicable

Paramita Chatterjee & Meenakshi Verma Ambwani  
NEW DELHI

UK-BASED private equity (PE) firm Ashmore Investment, which holds 49% stake in Mumbai-based cable company Digicable Network, has initiated talks with a host of companies to sell its stake in the venture, two persons familiar with the matter said.

According to an executive in the investment banking space, Ambit Finance is advising Ashmore Investment in its bid to exit Digicable, a mid-sized cable company that claims to have over 8 million subscribers.



**DEAL DETAILS**

**Ambit Finance is advising Ashmore in its bid to exit Digicable, a mid-sized cable company that claims to have over 8 million subscribers. Ashmore had invested Rs 41 cr in the co**

However, ET could not independently verify it. An email sent to Ambit Finance did not elicit any response. As per another executive in a media company, Ashmore has been looking to sell its stake for a few

months now. As per the FDI rules in India, an international company can own up to 49% stake in a cable company and Ashmore can not increase its stake further. When contacted, Digicable's promoter Jagjit Singh

Kohli said, "This is a baseless rumour." In an email response, Ashmore Investment's executive said they do not comment on individual holdings. Set up in 2007, Digicable Network is owned by Jagjit Singh Kohli, the former CEO of Zee Group-owned Wire & Wireless India (WWIL), and Yogesh Shah, an industry veteran. Ashmore had invested Rs 41 crore in the cable company. It also has a stake in Mr Kohli's broadband venture, Pacenet. Ashmore Investment Management handles a \$30-billion fund worldwide. The other major players in the cable network space such as DEN Networks and Hathway had recently

tapped the capital market to raise money. Most of the cable companies have got private equity investors and for them, IPO serves as an exit route, besides providing the cable companies with additional money. At present, there are an estimated 130 million television households in the country, of which 96 million are connected by cable & satellite (C&S). An estimated 17-18 million homes have DTH connections. The C&S subscriber base is largely split among five national cable companies, Wire & Wireless, DEN, Hathway, Incablenet and Digicable and about 50,000 local cable operators.

paramita.chatterjee@timesgroup.com

