

**GOVERNMENT OF INDIA  
INFORMATION AND BROADCASTING  
LOK SABHA**

UNSTARRED QUESTION NO:336  
ANSWERED ON:02.08.2011  
AUCTION OF FM RADIO  
Tewari Shri Manish

**Will the Minister of INFORMATION AND BROADCASTING be pleased to state:**

- (a) whether the Government has decided to auction FM radio stations in cities and towns across the country;
- (b) if so, the number of such radio stations the Government proposes to auction across the country, State-wise;
- (c) the system of auction that the Government intends to follow;
- (d) whether the system of auction is different from the previous one;
- (e) if so, the reasons therefor;
- (f) the details of revenue likely to be mobilised by the Government through the auction of radio stations;
- (g) whether the Government view the auction of these radio stations as a revenue generation exercise thereby underscoring that Public Revenue is synonymous with public interest; and
- (h) if so, the details thereof?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF INFORMATION & BROADCASTING (SHRI C.M. JATUA)

- (a) Yes, Sir.
- (b) Under the policy, a total number of 839 channels in 294 cities shall be available for auction. State-wise details are at Annexure.
- (c) Government has cleared the proposal for conducting ascending e-auction, as followed by Department of Telecommunications for the auction of 3G and BWA spectrum, mutatis-mutandis, for award of Permissions of FM channels, as recommended by the GOM on Licensing Methodology for FM Phase-III.
- (d) Yes, Sir.
- (e) In Phase II, the permission was granted on the basis of closed tender two stage bidding process. However, in Phase III, licensing methodology, as per the recommendations of Group of Ministers, would be based on ascending e-auction process on the lines followed by Department of Telecommunications in the auction of 3G and BWA spectrum, which was very successful and equally transparent vis-a-vis closed tender bidding process.
- (f) Government is likely to receive total revenue of about Rs.1531.92 crore from the auction of new channels.
- (g) & (h) Private FM broadcasting has resulted in significant growth in FM radio industry and rejuvenated the scene of radio listening in the country. Private FM broadcasting has offered new areas for creating employment and has the potential to generate revenue for the Government by efficiently utilizing the frequency radio spectrum earmarked for FM radio services.

Border areas, particularly J&K, NE States and Island territories, are largely missing from the FM map. There is a felt need for promoting private FM radio for providing quality entertainment in border areas with incentives to draw people to listen to Indian radio channels and to check cross border propaganda.