

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

STARRED QUESTION NO:60
ANSWERED ON:26.11.2014
AUCTION FOR FM RADIO PHASE III
Shewale Shri Rahul Ramesh;Yadav Shri Dharmendra

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

- (a) whether the third phase of the auction of FM Radio has been kept suspended for the last three years and if so, the reasons therefor;
- (b) whether the Government proposes to complete the auction for FM radio phase-III before the lapse of present licence of radio operators;
- (c) if so, the details thereof along with the number of FM channels likely to be auctioned, location-wise;
- (d) whether the Telecom Regulatory Authority of India has recommended minimum channel space for broadcast of FM radio; and
- (e) if so, the details thereof and if not, the reasons therefor along with the steps taken by the Government for early auction of third phase of FM radio?

Answer

THE MINISTER OF INFORMATION AND BROADCASTING (SHRI ARUN JAITLEY)

(a) to (e) A Statement is laid on the Table of the House.

Statement referred to in reply to Part (a) to (e) of Lok Sabha Starred Question No.60 for answer on 26.11.2014.

The Cabinet, in its meeting held on 7.7.2011, approved the "Policy Guidelines on Expansion of FM radio broadcasting services through private agencies (Phase-III)" and the policy was notified on 25.07.2011. FM Phase-III Policy extends FM radio services to 227 new cities, in addition to the existing 86 cities (vacant/available channels in only 67 existing cities), with a total of 839 new FM radio Channels in 294 cities at present. Phase-III policy will result in coverage of all cities with a population above one lakh with private FM radio channels.

As per the time schedule for implementation, the ascending e-auction process is to be initiated for issuing permission for FM Radio channels in batches over a period of 3 years.

While taking action for implementation of the Phase-III Policy, a few issues which were not covered under the existing Cabinet approval for the FM Phase-III policy had arisen. In order to examine these issues, an EGoM was set up by Cabinet Secretariat on 18.9.2012.

The Empowered Group of Ministers (EGoM) in its meeting held on 6.3.2013, inter-alia, took the following decisions:-

- i) To charge migration fee from the existing operators on their migration from Phase-II to Phase-III and the amount of migration fee to be decided after consultation with TRAI.
- ii) Approval for the conduct of the auction of 839 channels in 294 cities to be awarded through ascending e-auction as was approved by the Cabinet in its meeting held on 7.7.2011. The additional channels that may become available due to reduced channels spacing to 400 KHz. could be considered subsequently after feasibility studies are completed.

TRAI in its recommendations dated 20.02.2014 have reiterated their earlier recommendation dated 19.04.2012 for decreasing the inter channel (frequency) gap from 800KHz. to 400 KHz.

This being a technical matter would be dealt with in consultation with competent technical authorities.

Besides above, the Government has also taken following steps to complete the auction for FM Radio Phase-III:-

To ensure probity and transparency in the entire auction process, the Ministry has appointed, an Independent External Monitor (IEM) as per prescribed procedure.

E-auctioneer has since been selected to conduct e-auction for FM Phase-III, and an agreement in this regard has been signed with

the agency for the same. List of proposed FM channels likely to be auctioned is at Annexure-A.