

GOVERNMENT OF INDIA
MINISTRY OF INFORMATION AND BROADCASTING
RAJYA SABHA
QUESTION NO07.03.2011
ANSWERED ON
LICENCES FOR PHASE III PRIVATE FM RADIO

1160

SHRI B.S. GNANADESIKAN

Will the Minister of COALINFORMATION AND BROADCASTING be pleased to state :-

- (a) whether Government has planned to introduce e-auction for licences of phase III private FM radio;
- (b) if so, whether Government has received representation to put off the proposal of e-auction of new FM licences since this move would affect the smaller players who would not be able to keep up and compete properly; and
- (c) if so, the details thereof and the steps taken by Government in this regard?

ANSWER

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

- (a) Group of Ministers (GOM) had been constituted on 30.09. 2010 to examine and give its recommendation on whether ascending e-auction as followed in Telecom or closed tender bidding process as adopted in Phase-II be adopted for Phase-III. The GOM, in its meeting held on 19.01.2011 considered three issues pertaining to FM Phase-III viz.
 - (i) appropriate licensing methodology
 - (ii) determination of reserve price and annual license fee and
 - (iii) Permission period for Phase-III. In its recommendations, GOM interalia decided that ascending e-auction methodology as followed in 3 G auctions may be adopted for award of licence in FM Radio Phase-III. Ministry is in the process of seeking Cabinet approval on the draft Policy for FM Phase-III based on the recommendations of the GOM.
- (b) Yes Sir. Government has been receiving representations from different quarters against the proposed e-auction to be adopted for Phase-III .
- (c) Among other things, representations highlighted that e-auction are against the interests of small Broadcasters. A final view in this regard is yet to be taken by the Government.