

**GOVERNMENT OF INDIA
MINISTRY OF INFORMATION & BROADCASTING**

**LOK SABHA
UNSTARRED QUESTION NO.2355
TO BE ANSWERED ON 30.11.2016**

E-AUCTIONING OF FM RADIO CHANNELS

2355. SHRI ADV. M. UDHAYAKUMAR:

Will the Minister of **INFORMATION AND BROADCASTING**

be pleased to state:

- (a) whether the Government has initiated the process for e-auctioning 266 FM radio channel in 92 cities including strategically important areas like border towns of Jammu & Kashmir and the North East;
- (b) if so, the details thereof;
- (c) whether the Government has invited applications with a deadline for August 1, 2016 and if so, the details thereof;
- (d) whether the much anticipated move is expected to bring radio services to small towns and cities; and
- (e) if so, the details thereof and the result achieved thereon?

ANSWER

**MINISTER OF STATE IN THE MINISTRY OF INFORMATION & BROADCASTING,
{COL RAJYAVARDHAN RATHORE (Retd.)}**

(a) to (e). Under batch-II of FM Phase-III, the Government has initiated the process for e-auctioning of 266 FM radio channels in 92 cities by issuing a Notice Inviting Applications on 20.06.2016, and after completion of due procedure, started the auction process on 26.10.2016. The last date for submission of applications was 01.08.2016 which was revised to 08.08.2016 vide amendment no. 1 dated July 26, 2016 (Annexure-I). The auction for batch-II is currently in progress.

FM Phase-III Policy aims to expand FM Radio broadcasting to uncovered small towns/cities having population above 1 lakh and 11 border area towns of Jammu & Kashmir and North East States having population less than 1 lakh.

**ANNEXURE REFERRED TO IN REPLY TO PARTS (a) TO (e) OF LOK SABHA
UNSTARRED QUESTION NO. 2355 FOR ANSWER ON 30.11.2016**

**No. N-38014/41/2016-FM
Government of India
Ministry of Information and Broadcasting
Shastri Bhawan, New Delhi
(FM Cell)**

Dated the 26th July 2016

**Subject: Amendment No. 1 to NIA on e-Auction of Second Batch of Private FM Radio
Phase-III Channels issued on June 20, 2016**

The NIA dated June 20, 2016 for e-Auction of Second Batch of Private FM Radio Phase-III Channels is hereby amended and Amendment No. 1 is enclosed.

2. All other terms and conditions remain unaltered.

Sd/-
(S. R. Yadav)
Deputy Secretary to the Government of India

**e-Auction of Second Batch of Private FM Radio
Phase-III Channels**

Amendment No. 1

To

Notice Inviting Applications Dated June 20, 2016

(No. N-38014/31/2016-FM)

July 26, 2016

**MINISTRY OF INFORMATION & BROADCASTING
GOVERNMENT OF INDIA
SHASTRI BHAWAN
NEW DELHI**

I) Amendment to Clause 1.5.1, Sr. no. 5 (Last date for submission of applications)

		F O R	R E A D
Sr. No.	Activity	Date / Number of Days	Date / Number of Days
4	Clarifications to NIA	21 July, 2016	26 July, 2016
5	Last Date for submission of Applications	01 st August, 2016, by 5:00 PM	08th August, 2016, by 5:00 PM

II) Amendment to Clause 3.4.4

F O R:

3.4.4 The cutoff date for determination of net worth shall be as mentioned below:

3.4.4.1 The applicant company shall furnish annual reports and audited final accounts for the last three years, or from the date of incorporation, whichever is later, till 31st March, 2016, along with its net worth as on 30th June, 2016 or any date subsequent thereto up to the date of submission of the application, certified by the statutory auditors, to support its claim of financial competence.

- i. In case audited financials of 30th June 2016 or a later date are not available then statutory auditors certificate based on audited financials of 31st March 2016 apart from limited review for quarter ending on 30th June 2016 or a later date will be required.

3.4.4.2 An applicant company registered after 31st March, 2016 shall only have to demonstrate its net worth as on 30th June, 2016 or any date subsequent thereto up to the date of submission of the application through its paid up equity supported by requisite documents including a Net Worth certificate from the statutory auditor along with certified financial statements on which Net Worth Certificate is issued.

R E A D :

3.4.4 The cutoff date for determination of net worth shall be as mentioned below:

3.4.4.1

- (a) In case, the applicant company is a listed company, the applicant company shall furnish
- (i) the annual reports and audited final accounts for the last three years, or from the date of incorporation, whichever is later, till 31st March, 2016.
 - (ii) Net worth certificate from Statutory Auditor on the basis of audited financial statements as on 31.03.2016 in the format prescribed in 10.5 (A) and

- (iii) Provisional financial statements as on 30.06.2016 in the format prescribed in Part I & Part II of Schedule III of the Companies Act 2013 certified by a Practicing Chartered Accountants in terms of Standards of Related Services – 4410 (Revised) issued by Institute of Chartered Accountants of India
- (iv) Net worth certificate from Practicing Chartered Accountant on the basis of certified Provisional financial statements as on 30.06.2016 referred in (iii) above in the format prescribed in 10.5 (B)

(b) In case, the applicant company is an Unlisted company, the applicant company shall furnish:

- (i) Annual reports for the year 2013-14 & 2014-15 or from the year of incorporation, whichever is later
- (ii) Provisional financial statements as on 31.03.2016 & 30.06.2016 in the format prescribed in Part I & Part II of Schedule III of the Companies Act 2013 duly certified by a Practicing Chartered Accountants in terms of Standards of Related Services – 4410 (Revised) issued by Institute of Chartered Accountants of India and
- (iii) Net worth certificate from Practicing Chartered Accountant on the basis of certified Provisional financial statements as on 31.03.2016 & 30.06.2016 referred in (ii) above in the format prescribed in 10.5 (B)

3.4.4.2

- (i) The applicant company registered after 31st March, 2016 shall only have to demonstrate its net worth as on 30th June, 2016 or any date subsequent thereto up to the date of submission of the application by submitting Provisional financial statements as on 30.06.2016 or any date subsequent thereto up to the date of submission of the application, duly certified by a Practicing Chartered Accountants in terms of Standards of Related Services – 4410 (Revised) issued by Institute of Chartered Accountants of India and Net worth certificate from Practicing Chartered Accountant as on such date based on the such certified provisional financial statements in the format prescribed in 10.5(B).

Note: The applicant company is required to submit:-

- (1) Audited financial statements as on 31.03.2016 or Limited Reviewed financial statements as on 30.06.2016 within one week from the date of Annual General Meeting / Board Meeting approving the same.
- (2) Net worth certificate from Statutory Auditor on the basis of Audited financial statements as on 31.03.2016 or Limited Reviewed financial statements as on 30.06.2016 in the format prescribed in 10.5 (C). Such Net worth should suffice the requirement of Financial Competence stated in NIA.

10.5 Format for Certificate of Net Worth

For the purpose of submission of Net Worth Certificate with Application

(A) For Listed Company for Net worth as on 31.03.2016 by statutory Auditors

We have audited the Books of Accounts of _____ for the financial year ended on _____ and certify that the “Net Worth” of M/s _____ the Applicant Company as on is Rupees _____ lakh (rupees in _____ words lakhs) as follows :

Sl.No.	Particulars	Amount in lakhs
1	Book Value of assets	
2	Book Value of fictitious and intangible assets	
3	Liabilities other than owner's funds	
4	Net Worth {1-(2+3)}	

Statutory Auditors
(Firm Name, FRN, CA Name,
Designation, Membership No.)

Date:
Place:

Note:

NET WORTH

The excess of the book value of assets (other than fictitious and intangible assets) of an enterprise over its liabilities. This is also referred to as Net assets or shareholder's funds

Book Value of assets

The amount at which an item appears in the books of account or financial statement. It does not refer to any particular basis on which the amount is determined. Example: cost, replacement value etc.

Fictitious assets.

Items grouped under the assets in a balance sheet which has no real value (eg. The debit balance of the profit and loss account)

Liabilities

The financial obligation of an enterprise other than owner's funds.

(B) For All other cases:

We have compiled the Books of Accounts of _____ for the financial year ended / period ending on _____ and certify that the “Net Worth” of M/s _____ the Applicant Company as on is Rupees _____ lakh (rupees in _____ words lakhs) as follows :

Sl.No.	Particulars	Amount in lakhs
1	Book Value of assets	
2	Book Value of fictitious and intangible assets	
3	Liabilities other than owner’s funds	
4	Net Worth { 1-(2+3) }	

Practising Chartered Accountants
(Firm Name, FRN, CA Name,
Designation, Membership No.)

Date :
Place :

Note:

NET WORTH

The excess of the book value of assets (other than fictitious and intangible assets) of an enterprise over its liabilities. This is also referred to as Net assets or shareholder’s funds

Book Value of assets

The amount at which an item appears in the books of account or financial statement. It does not refer to any particular basis on which the amount is determined. Example: cost, replacement value etc.

Fictitious assets.

Items grouped under the assets in a balance sheet which has no real value (eg. The debit balance of the profit and loss account)

Liabilities

The financial obligation of an enterprise other than owner’s funds.

(C) Format for the purpose of submission of Net Worth Certificate within one week from date of Annual General Meeting / Board Meeting

We have audited the Books of Accounts/ Carried out limited review of _____ for the financial year/period ended month-day-year _____ and certify that the “Net Worth” of M/s

_____ the Applicant Company as on is Rupees _____ lakhs (rupees in words lakhs) as follow:-

Sl.No.	Particulars	Amount in lakhs
1	Book Value of assets	
2	Book Value of fictitious and intangible assets	
3	Liabilities other than owner’s funds	
4	Net Worth {1-(2+3)}	

Statutory Auditors
(Firm Name, FRN, CA Name,
Designation, Membership No.)

Date :
Place :

Note:

NET WORTH

The excess of the book value of assets (other than fictitious and intangible assets) of an enterprise over its liabilities. This is also referred to as Net assets or shareholder’s funds

Book Value of assets

The amount at which an item appears in the books of account or financial statement. It does not refer to any particular basis on which the amount is determined. Example: cost, replacement value etc.

Fictitious assets.

Items grouped under the assets in a balance sheet which has no real value (eg. The debit balance of the profit and loss account)

Liabilities

The financial obligation of an enterprise other than owner’s funds.