

By Speed Post

No.405/18/2007-FM 140  
Government of India  
M/o Information & Broadcasting  
FM Cell, 'A' Wing, Shastri Bhawan, New Delhi.  
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Dated the 8<sup>th</sup> February, 2010.

To

The President  
Association of Radio Operators for India  
304, Competent House  
F-14, Cannaught Place, New Delhi-1.

Subject: Strict Compliance of the terms and conditions of Grant of Permission Agreement (GOPA) signed between the M/o Information & Broadcasting and the Permission Holders for operating FM Radio Broadcasting Services (Phase-II).

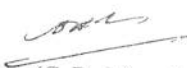
Madam,

I am directed to refer to the subject mentioned above and to invite your attention to this Ministry's circulars no.803/22/2008-FM, dated 23.12.2008 and 15.04.2009 (copies enclosed) wherein in all the permission holders were advised to ensure strict compliance of all the terms and conditions of GOPA as some of them were persistently flouting it and were delaying their payment of licence fee and submission of periodical documents. It has been clearly mentioned in the circular that delayed payment will attract compound interest @18% per annum. However, despite issue of the advisories and issue of individual letters, repeated instances of delayed payments and late submission of documents are still occurring and some companies are thereafter requesting for waiver of interest on the delayed payments.

2 You are requested to advise AROI members to strictly comply with all the terms and conditions of GOPA and ensure timely payment of licence fee. You may also kindly apprise them that it will not be possible for the Ministry to entertain any requests for waiver of interest on this account.

Yours faithfully,

Encl. As above  
1, H/W issue  
with enclosure  
PBW. 02/10  
00/02/10

  
(S.P. Veer)  
Deputy Secretary to the Govt. of India  
Tele:011 23384754

No.803/22/2008-FM/159  
Government of India  
M/o Information & Broadcasting  
'A' Wing, Shastri Bhayan, New Delhi-110115.  
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Dated the 15<sup>th</sup> April, 2009

To

As per list enclosed

Subject: Strict compliance of the terms and conditions of Grant of Permission Agreement (GOPA).

Sir/Madam,

I am directed to invite your kind attention towards this Ministry's circular no.803/22/2008-FM/762 dated 23.12.2008 on the above subject(copy enclosed) wherein the permission holders have been advised to ensure strict compliance of all the Terms and Conditions of the Agreement.

2. Despite issue of the advisory, some permission holders are still continue to default mainly on account of delay in payment and non submission of documents (Annex. I-IV).

3. It may be again noted that any violation of terms and conditions of GOPA shall be viewed seriously and would invite strict penal action under appropriate clauses of GOPA. It may also be taken note that compound interest @ 18% per annum will be levied for instances of delayed payment of license fee.

Yours faithfully,



(S.P. Veer)

Under Secretary to Govt. of India

Tele.:23384754

Encl: as above.

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गोपनीय (Confidential)  
16/6/09  
4/09

भारत सरकार

सं./No.

GOVERNMENT OF INDIA

सूचना और प्रसारण मंत्रालय

MINISTRY OF INFORMATION &amp; BROADCASTING

'ए' विंग शास्त्री भवन, नई दिल्ली - 110 001

'A' Wing Shastri Bhawan, New Delhi - 110 001

तारीख ..... 23.12.2008  
Date

To,

As per list enclosed.

Subject: - Strict compliance of the Terms and Conditions of Grant of Permission Agreement.  
(GOPA).

Sir/Madam,

Kind attention is invited to the Grant of Permission Agreement. (GOPA) signed between the Ministry of Information and Broadcasting, Government of India and the Permission Holders for operating FM Radio Broadcasting Service (Phase-II). It has been observed that while most of the Companies are following various Clauses of GOPA scrupulously, some of the Companies have to be reminded repeatedly by inviting attention to various Clauses of GOPA as they are not adhering to these clauses and delaying the payment of License fee and submission of other documents/reports. In order to avoid such happenings in future, attention of Permission Holders is again invited to the following clauses of GOPA :-

- 3.1 The Permission Holder shall pay an Annual Fee to the Grantor every year, charged @ 4% of Gross Revenue of its FM radio channel or 10% of the Reserve OTEF for the city, whichever is higher. Annual Fee shall be paid on a quarterly basis in four equal installments. For this purpose, four quarters shall be tri-monthly periods ending 30<sup>th</sup> June, 30<sup>th</sup> September, 31<sup>st</sup> December and 31<sup>st</sup> March respectively. Instructions of Clause 3.2 shall be observed while calculating the gross revenue for this purpose. The Permission Holder shall be required to pay advance quarterly installment within 15 days of each quarter.
- 3.4 Once the final fee for the financial year is determined on the basis of Gross Revenue share formula, and is found to be higher than 10% of the Reserve OTEF for the city, the Permission Holder shall pay the balance in one lump sum within a period of one month from the date of such determination and in any case not later than 30<sup>th</sup> September of the following year.

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- 3.5 From the second year onwards, the Permission Holder shall pay advance Annual Fee @4% of gross revenue of the previous year or the last year for which the gross revenue has been determined or 10% of reserve OTEF, whichever is higher, within the first fortnight of each quarter, and balance due of final annual fee by 30th September each year.
- 3.6 The permission holder shall maintain the validity of the Bank Guarantee throughout the currency of the permission.
- 15.1 The Permission Holder shall furnish the operationalization report duly authenticated by BECIL in the format given at **Annexure-I** to this agreement within a period of one month from the date of operationalization.
- 15.2 The Permission Holder shall furnish to the Grantor, such documents, reports, accounts, estimates, returns or such other information and at such periodic intervals or at such times as the Grantor may require, in addition to an annual report of the Permission Holder that includes audited accounts, Profit & Loss Account, balance sheet, shareholding, Board of Directors and key executives of the company and the quarterly report to be furnished by the Permission Holder in the format given in **Annexure-II** to this Agreement for quarters ending 31<sup>st</sup> March, 30<sup>th</sup> June, 30<sup>th</sup> September and 31<sup>st</sup> December.
- 15.3 At the end of each financial year, the Permission Holder shall provide the statement of gross revenue forming part of the final accounts for the channel as per the format at **Annexure - III**, duly certified by the Statutory Auditors. It may be noted that the income heads specified at **Annexure - III** are only indicative and illustrative and the Auditor would include all the relevant heads qualifying for gross revenue whether or not specifically included in the said format. In addition, the income from the Related Parties shall have to tally with the Related Parties schedule as per Accounting Standards no. 18. Besides, the Permission Holder shall disclose the following information at the end of each financial year, duly certified by the Statutory Auditor:
1. Total trade and other discounts.
  2. Total agency commission.
  3. Total Related Party Transactions.
- 15.4 The Permission Holder shall annually submit a certificate of the Statutory Auditors for compliance of Clauses 7.2 to 7.4 along with the audited accounts as per format at **Annexure - IV**.

2 Besides above, all Permission Holders are requested to ensure strict compliance of all the Terms and Conditions of GOPA, failing which this Ministry may be constrained to take action as per penal provisions contained in GOPA. In case payment is delayed in future it may be treated as a default and invite suspension of broadcast for violation of the terms and conditions of the agreement. It may also be taken note that Compound interest @ 18% per annum will be levied for instances of delayed payment of license fee.

Yours faithfully,



(S.P. Veer)

Under Secretary to the Govt. of India

Tele: 23384754

R.S.D. Section may  
Please advise 40 letter  
S.No 2 to 41 No. 603/22/105/FM/962  
Received (40 letters)  
(for news) (S.No 2 to 41)  
26/2/08

