

GOVERNMENT OF INDIA
Ministry of Information & Broadcasting
'A' Wing, Shastri Bhawan, New Delhi-110 115

No. N- 38014/4/2014-FM

Dated: 21st January, 2015

ORDER

In pursuance of the Cabinet decision taken on 16th January, 2015 regarding modification of policy guidelines on 'expansion of FM Radio Broadcasting services through Private Agencies (Phase-III)', the existing Para 31(Migration to Phase-III) of the FM Phase-III Policy notified on 25.07.2011 has been amended as under:-

31. Migration to Phase-III

- 31.1 The provisions of these Guidelines will be applicable to the existing permission holders subject to the provisions contained herein and subject to payment of all outstanding dues pertaining to the Government, Prasar Bharati and BECIL in relation to existing FM radio permissions/operations. The existing permission holders will be required to sign a fresh grant of permission agreement (GOPA) on the prescribed format within a given time frame in order to automatically migrate to Phase-III regime. In case any existing permission holder does not execute the fresh Agreement within the given time frame it shall be construed to mean that he does not want to migrate to the FM Phase III regime, and therefore shall continue to be governed by the FM Phase II policy provisions.
- 31.2 In the event of any existing permission holder of Phase II declining to opt for automatic migration, it shall continue to be governed by the terms and conditions of its original license under FM Phase II Policy regime, as modified from time to time.
- 31.3 The cut-off date for automatic migration to Phase-III shall be taken as March 31, 2015.
- 31.4 Each existing permission holder of Phase-II, who is eligible for automatic migration to Phase-III, shall pay Non Refundable One Time Migration Fee (NOTMF) amount which shall be calculated as given in paragraph 31.4.1 below. For the purposes of calculation, the existing Phase-II cities have been classified into three groups, namely Group X having 17 cities, Group Y having 26 cities and Group Z having 43 cities. Each existing city of Phase-II has been shown in the Table below along with its Group, category and the region to which it belongs. The words 'target city' means the city in Group X or Y for which the NOTMF is being determined, while the words 'reference city' refer to the city in Group Z where auction results of FM Phase-III are considered for determining the NOTMF.
- 31.4.1 NOTMF for
- (a) Group X cities shall be
- Higher of –
- Phase-II average bid of the target Group X city multiplied by a factor of 1.5; or
 - Phase-II highest bid of the target Group X city increased by the average increase in auction prices in Group Z cities (vis-à-vis their reserve prices) in the same category in Phase-III.
- (b) Group Y cities shall be

Higher of-

- Phase-II average bid of the target Group Y city multiplied by a factor of 1.5; or
- Phase-II highest bid of the target Group Y city increased by the average increase in auction prices in Group Z cities (vis-à-vis their reserve prices) in the same category in Phase-III.

...but, the lower of

- The above; and
- Phase-III auction price obtained in the target Group Y city.

(c) Group Z cities shall be

- The actual auction price obtained in Phase-III.

Categories A+ and A are deemed to be alike and therefore, considered together.

In the above formulation, 'average bid' for a city shall mean the average of all successful bids in Phase-II in that city while 'highest bid' or 'reserve price' for a city shall mean the highest successful valid financial bid in Phase-II in that city.

Table

CATEGORY	REGION	GROUP X	GROUP Y	GROUP Z
	CITIES			
A+	E	KOLKATA		
	W		MUMBAI	
	N		DELHI	
	S		CHENNAI	
A	E			
	W		AHMEDABAD NAGPUR PUNE SURAT	
	N		JAIPUR	KANPUR LUCKNOW
	S		BANGALORE	HYDERABAD

CATEGORY	REGION	GROUP X	GROUP Y	GROUP Z
	CITIES			
B	E		JAMSHEDPUR	ASANSOL PATNA
	W	BARODA BHOPAL INDORE JABALPUR	RAJKOT	
	N		AMRITSAR VARANASI	AGRA ALLAHABAD
	S	COIMBATORE VISHAKHAPATNAM	KOCHI MADURAI	VIJAYAWADA
C	E	RANCHI	BHUBANESHWAR GUWAHATI SILIGURI	MUZAFFARPUR ROURKELA
	W	GWALIOR RAIPUR		AHMEDNAGAR AKOLA AURANGABAD BILASPUR DHULE JALAGAON KOLHAPUR NANDED NASIK SANGLI SHOLAPUR

C	N	JALANDHAR	JODHPUR KOTA PATIALA UDAIPUR	AJMER ALIGARH BAREILLY BIKANER CHANDIGARH GORAKHPUR JAMMU JHANSI SRINAGAR
	S	KANNUR TRICHUR TRIVANDRUM	MANGALORE PUDUCHERRY	GULBARGA KOZHIKODE MYSORE RAJAHMUNDRY TIRUCHI TIRUNELVELLI TIRUPATI TUTICORIN WARANGAL
D	E	GANGTOK		AIZWAL AGARTALA ITANAGAR SHILLONG
	W	PANAJI		
	N	SHIMLA	KARNAL HISSAR	
	S			
		17 cities	26 cities	43 cities

- 31.4.2 The existing Phase-II operators who successfully bid and win additional channel(s) in an existing city, where it already has an operational FM channel, through an ascending e-auction process, shall have to migrate its existing channel in that city also to Phase-III as per the NOTMF amount mentioned in paragraph 31.4.1 above.
- 31.4.3 In all cases, the residual value of the Phase-II permission, calculated on a pro rata basis, shall be deducted from the NOTMF amount mentioned in paragraph 31.4 above for migration purpose only.
- 31.4.4 For the Group Z cities, in case of failure of the auction in a particular city, the existing Phase-II operators of that city shall pay NOTMF amount equivalent to the reserve price set for fresh channels of that city or 1.5 times the average bid of Phase-II in that city, whichever is higher.
- 31.4.5 If the auction of channels in Group Z cities fails totally, then the Government reserves the right to auction all the existing channels in Group X, Y, and Z cities afresh and no concessional treatment would be afforded to the existing permission holders in the auction process and all participants in that auction would be treated alike.
- 31.5 Upon exercising its option to automatically migrate to Phase-III, and payment of the NOTMF within the prescribed period, each eligible permission holder of Phase-II shall be issued a fresh permission with the same terms and conditions as for successful bidders of Phase-III.
- 31.6 If any existing permission holder of Phase-II, who is eligible and opting for automatic migration to Phase-III, fails to deposit the NOTMF or sign the Grant of Permission Agreement within the prescribed period, it shall not be permitted to migrate to FM Phase-III and shall therefore be governed by the terms and conditions of its existing permission under FM Phase-II Policy regime, as modified from time to time, for remaining period of his Phase-II permission.

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21/11/2015

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