

**TELECOM REGULATORY AUTHORITY OF INDIA**

**TRAI releases Recommendations on “Reserve Prices for auction of FM Radio channels”**

**New Delhi, 23<sup>rd</sup> September 2025** - The Telecom Regulatory Authority of India (TRAI) has released its Recommendations on “Reserve Prices for auction of FM Radio channels”.

**2.** The Ministry of Information and Broadcasting (MIB) vide its references dated 21<sup>st</sup> December 2023 read with clarifications dated 19<sup>th</sup> March 2024 and 9<sup>th</sup> April 2024 has sought TRAI’s recommendations on reserve price for auction of FM Radio channels in 18 cities/towns of category 'E' situated in the states of Himanchal Pradesh, Uttarakhand, and the Union Territory (UT) of Jammu & Kashmir for the expansion of Private FM Radio. MIB has also requested TRAI to recommend the reserve prices for the cities of Bilaspur (Chhattisgarh), Rourkela (Odisha) and Rudrapur (Uttarakhand).

**3.** Accordingly, a consultation paper was issued on 1<sup>st</sup> August 2024 seeking stakeholders’ comments on issues related to reserve prices for auction of FM radio channels. The comments and counter-comments received on the consultation paper are available on the TRAI’s website. Subsequently, an Open House Discussion was held on 10<sup>th</sup> October 2024.

**4.** After considering all comments/counter-comments received from stakeholders during the consultation process and further analysis of the issues, the Authority has finalized its recommendations. The salient features of the recommendations are given below:

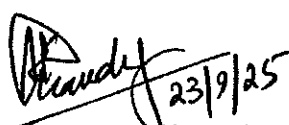
- Reserve Price for auction of FM radio channels should be Rs. 0.83 crore for Bilaspur (Chhattisgarh), Rs. 1.20 crore for Rourkela (Odisha), and Rs. 0.97 crore for Rudrapur (Uttarakhand).
- Reserve Price for auction of FM radio channels in Category 'E' cities should be Rs. 3.75 lakh.
- Minimum net worth requirement for category 'E' cities should be Rs. 30 lakh. For all other categories of cities (A+, A, B, C, D, Others), minimum net worth requirement shall continue to be as prescribed in the existing FM Phase-III policy guidelines dated 25.07.2011.
- The Notice Inviting Application/Information Memorandum or any other guidelines/instructions shall contain terms and conditions for assignment of frequency including but not limited to the process of frequency assignment, city wise minimum net worth requirement, Earnest Money Deposit, Reserve Price, Payment Methodology, Roll out and other obligations, Blacklisting and Forfeitures etc. and any other relevant aspects (erstwhile part of Process of granting permission and Grant of Permission Agreement (GOPA) of the extant Policy guidelines of Phase-III FM Radio).
- The definition of Gross Revenue (GR) should be adopted from the existing FM Phase-III policy guidelines, as amended. Additionally, if the streaming of a radio channel is being provided by the radio operator, the revenue generated from such streaming should also be included in the definition of GR.
- For category 'E' cities, annual/authorisation fee of 2% of Adjusted Gross Revenue (AGR) should apply for the initial three years, after which annual/authorisation fee at 4% of AGR should be made applicable. AGR should be calculated after deducting GST from GR.

- Maximum number of channels in category E' city for allocation to private broadcasters should be 3 (three). For all other categories of cities (A+, A, B, C, D, Others), maximum number of channels shall continue to be as prescribed in the existing FM Phase-III policy guidelines dated 25.07.2011.

5. In order to ensure financial sustenance of FM Radio operators, the Authority has recommended the following measures:

- Private FM Radio Operators should be allowed to broadcast news and current affairs programs, limited to 10 minutes in each clock hour.
- The Authorised Entity shall follow the programme code for news content as prescribed by the Central Government from time to time.
- An Authorised Entity for Terrestrial Radio Services should be permitted to stream programmes of a radio channel concurrently without user control (i.e., Features like download, playback, replay etc. should not be available to the user while streaming).
- The annual license fee of a FM radio channel should be delinked from Non-Refundable One Time Entry Fee (NOTEF) for all licensees including existing licensees. The license fee should be calculated as 4% of the Adjusted Gross Revenue (AGR) of the FM radio channel during the respective financial year. For cities of 'Others' category (in border and hilly areas of NE, J&K, Ladakh & Island Territory), annual/authorisation fee of 2% of Adjusted Gross Revenue (AGR) should apply for the initial three years, after which annual/authorisation fee at 4% of AGR should be made applicable. While calculating AGR, GST should be excluded from Gross Revenue (GR).

- Prasar Bharati should share its land and tower infrastructure (LTI) as well as common transmission infrastructure (CTI) with private broadcasters at concessional rental rates while taking full recovery of operational expenses.
  - The successful bidders should be given multiple options for payment of bid amount similar to the spectrum auction done by Department of Telecommunications.
  - The condition for mandatory colocation of transmission infrastructure should be removed, and the entities authorised for Terrestrial Radio Service should be allowed to share infrastructure, on voluntary basis with the entities of broadcasting services, telecom services, infrastructure providers etc. as per technical and commercial feasibility.
6. The full text of the Recommendations is available on TRAI's website [www.trai.gov.in](http://www.trai.gov.in). For any clarification or information, Dr Deepali Sharma, Advisor (B&CS) may be contacted at Tel. No. +91-11- 20907774.

  
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