Telecom Regulatory Authority of India

Recommendations

on

Reserve Price for Auction of FM Radio channels

23rd September 2025

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Chapter 1

INTRODUCTION

1.1 Radio is one of the most popular and affordable means for mass communication owing to its wide coverage, terminal portability, low set-up costs and affordability. In India, radio coverage is available in Amplitude Modulation (AM) mode (Short Wave/Medium Wave) and Frequency Modulation (FM) mode.

1.2 On account of its versatility and good quality of reception, FM radio broadcasting is considered as one of the popular mediums to provide entertainment, information and education. In view of this, the Government of India, in its Ninth Five Year Plan (1997-2002), adopted a policy for improving the variety of content and quality of radio broadcasting that allowed private sector Indian companies to set up private FM radio stations in a phased manner.

1.3 The Phase-I of FM radio broadcasting was launched by the Ministry of Information and Broadcasting (MIB) in 1999 and an auction was conducted offering a total of 108 channels in the FM spectrum band (88–108 MHz) covering 40 cities. Out of 108 channels offered, 21 channels became operational in 12 cities.

1.4 The Government announced the policy for Phase-II of FM radio broadcasting on 13th July 2005. In Phase-II, a two-stage bidding process, i.e. eligibility and financial bidding, was followed. A total of 337 channels were put to bid across 91 cities with a population equal to or more than 3 lakhs. Of 337 channels put to bid, 222 channels became operational in 86 cities. All the 21 channels operational in Phase-I also migrated to Phase-II after paying the migration fee. In total, 243 FM radio channels became operational in 86 cities in Phase-II.

1.5 To expand the reach of FM radio broadcasting in the country, the Government embarked upon Phase-III to enable setting up of private FM radio channels in all cities with a population of more than 1 lakh. Further, 11 cities with a population of less than 1 lakh in the border areas of Jammu and Kashmir (J&K) and the North East (NE) region were also included in the expansion. Policy Guidelines for Phase-III of FM radio broadcasting were notified by the Government on 25th July 2011[1].

1.6 The Phase-III Policy Guidelines provides the mechanism for migration of existing FM radio operators from Phase-II to Phase-III regime. MIB vide its letter dated 9th April 2013, sought recommendations of Telecom Regulatory Authority of India (TRAI also referred as "Authority") on the migration fee to be charged from existing Phase-II operators on their migration to the Phase-III regime of FM radio broadcasting. In response, the Authority forwarded its Recommendations on 'Migration of FM Radio Broadcasters from Phase-II to Phase-III' to MIB on 20th February 2014.

1.7 In its recommendations of 20th February 2014, the Authority recommended that the methodology for determining the reserve prices for fresh (new) cities (where no private FM radio channels are operational) in Phase-III should be reconsidered as the methodology mentioned in Phase-III Policy guidelines might jeopardize the auction.

[1] https://mib.gov.in/sites/default/files/2024-12/fmpolicy_consolidated_0.pdf

1.8 Thereafter, MIB through its letter dated 16th December 2014, sought TRAI's recommendations on Reserve Prices (RPs) for FM radio channels in 264 new cities. In response, the Authority forwarded its Recommendations on 'Reserve Price for auction of FM radio channels in New Cities' on 24th March 2015.

1.9 MIB commenced the e-auction of first batch of private FM radio Phase-III channels on 27th July 2015, wherein 135 channels in 69 existing cities[2] were put to auction. In accordance with the provisions contained in Phase-III policy, reserve price (RP) for these cities were fixed as the highest bid price received for that city in Phase-II through the bidding process. As per the information available on MIB's website[3], 96 out of 135 private FM radio channels in 55 cities were successfully auctioned.

1.10 Subsequently, MIB commenced the e-auction of the second batch of private FM radio Phase-III channels on 20th June 2016 wherein 266 channels in 92 cities including 227 channels in 69 new cities[4] and 39 channels in 23 existing cities were put to bid. The RPs fixed by MIB for 69 new cities differed from the RPs recommended by TRAI in its recommendations dated 24th March 2015. Only 43 channels in 28 cities were successfully bid in e-auction of second batch of private FM radio Phase-III channels.

1.11 On 22.08.2019, MIB once again sought TRAI's recommendations on fresh reserve prices for 283 cities (260 new and 23 existing) under the FM Phase-III Policy. These recommendations were to consider various factors such as inflation and indexation of reserve prices calculated between 2011 and 2015. In response,

[2] Existing city refers to a city where at least one private FM Radio channel was operational in Phase II.
[3] https://mib.gov.in
[4] New city refers to a city where private FM Radio channel was not operational in Phase II and auction for FM Radio channels is to be held in Phase-III.

the Authority sent its recommendations on 'Reserve Price for auction of FM Radio channels' on 10.04.2020. MIB has accepted these recommendations and conducted the auctions for allotting 730 channels in 234 new cities on 9th and 10th July 2025. Against the said auction, bids for 63 channels in 43 cities have been received[5] and bidders have made payments for all the bids.

1.12 As on 31st March 2025, 388 private FM radio channels across 113 cities were operational in India.

1.13 MIB vide its letter dated 21.12.2023 (**Annexure-I**) to TRAI, described the importance of penetration of FM radio in hilly areas in states of Himachal Pradesh, Uttarakhand, Sikkim, Arunachal Pradesh and UTs of Jammu & Kashmir, Ladakh and in accordance with the provisions of section 11(1)(a) of the TRAI Act, 1997 asked TRAI to:

i. Provide recommendations along with reserve prices for further expansion of private FM radio services in Hilly States/UTs.
ii. Furnish reserve price for auction of FM Radio channels in two cities of Bilaspur and Rourkela.

1.14 In response, TRAI vide its letter dated 29.01.2024 (**Annexure-II**) requested MIB to provide list of cities in the hilly States/UTs mentioned in the aforesaid MIB reference, where FM radio channels are to be opened up, so that TRAI can provide its recommendations along with reserve price for auction of FM Radio channels in these cities.

1.15 Subsequently, MIB vide its letter dated 19.03.2024 (**Annexure-III**) provided a list of 20 cities in Hilly states/UTs of Himachal Pradesh, Uttarakhand and Jammu & Kashmir, and requested TRAI to recommend reserve prices for these cities. In its letter

[5] https://mib.gov.in/sites/default/files/2025-08/final_result-1.pdf

MIB also conveyed introducing a new city category, i.e. Category 'E'. MIB further proposed that all the technical parameters applicable for category 'D' cities, except for ERP may apply to category 'E'. The proposed ERP for Category 'E' is 750W to 1 KW.

1.16 MIB vide its letter dated 09.04.2024 (**Annexure-IV**) further clarified that TRAI has already recommended the reserve price for the city of Anantnag in its 2020 recommendations and that the city of Rudrapur (Uttarakhand) belongs to category 'D' as its population exceeds 1 lakh according to census 2011.

1.17 Based on the above details, TRAI was required to provide its recommendations in accordance with the provisions of section 11(1)(a) of the TRAI Act, 1997 on reserve prices for the auction of FM Radio channels for the following cities:

Table 1.1: List of cities for which reserve prices are to be recommended

Sl. No.	Name of City	State/ UT	Category
1.	Bilaspur	Chhattisgarh	C
2.	Rourkela	Odisha	C
3.	Rudrapur	Uttarakhand	D
4.	Bilaspur	Himachal Pradesh	E
5.	Dharmsala	Himachal Pradesh	E
6.	Hamirpur	Himachal Pradesh	E
7.	Mandi	Himachal Pradesh	E
8.	Nahan	Himachal Pradesh	E
9.	Solan	Himachal Pradesh	E
10.	Una	Himachal Pradesh	E
11.	Badgam	Jammu & Kashmir	E
12.	Bandipore	Jammu & Kashmir	E
13.	Baramulla	Jammu & Kashmir	E
14.	Kulgam	Jammu & Kashmir	E

15.	Kupwara	Jammu & Kashmir	E
16.	Pulwama	Jammu & Kashmir	E
17.	Rajouri	Jammu & Kashmir	E
18.	Shupiyan	Jammu & Kashmir	E
19.	Udhampur	Jammu & Kashmir	E
20.	Almora	Uttarakhand	E
21.	Nainital	Uttarakhand	E

1.18 Subsequently, the Authority issued a Consultation Paper (CP) on 'Reserve Price for auction of FM Radio channels' on 1st August 2024. Written comments on the CP were invited from stakeholders by 29th August 2024 and counter-comments by 12th September 2024. All the comments received were posted on TRAI's website. Subsequently, an Open House Discussion (OHD) was held at New Delhi on 10th October 2024.

1.19 After carefully examining and analysing various issues emanating from the written submissions of the stakeholders, the Open House Discussion and internal analysis, the Authority has finalised its recommendations. Chapter 2 discusses various issues related to estimation of the reserve prices for auction of FM radio channels in cities of Bilaspur, Rourkela and Rudrapur along with policy guidelines related issues and reserve prices for category 'E' cities. A summary of the recommendations is provided in Chapter 3.

Chapter 2

ESTIMATION OF RESERVE PRICES FOR AUCTION OF FM RADIO CH`ANNELS

2.1 MIB has sought reserve prices for auction of private FM Radio channels in two existing cities of Bilaspur and Rourkela and 19 new cities in hilly states /UTs. Cities of Bilaspur (Chhattisgarh) and Rourkela (Odisha) belong to city category 'C' as per FM Phase-III policy guidelines dated 25.07.2011. Out of 19 new cities, Rudrapur (Uttarakhand) belongs to city category 'D'. For the remaining 18 new cities, having population of less than one lakh as per 2011 census, MIB has proposed introduction of a new city category 'E'.

A. Methodology for determining valuation and reserve prices of FM radio channels for cites of Bilaspur, Rourkela and Rudrapur

Background

2.2 In its recommendations on 'Reserve Price for auction of FM radio channels in New Cities' dated 24th March 2015, the Authority was of the view that for the purpose of valuation of FM Radio channels in new cities in Phase-III, it was necessary to identify variables which are likely to have an impact on revenue generation. Accordingly, the Authority used a broad-based approach consisting of three different variables along with population for determining the valuation of FM Radio channels. The Authority had noted that advertisement is the primary source of revenue generation for FM Radio, hence factors such as purchasing power of a citizen, total FM radio listenership and past revenue earning data were considered to be relevant variables for valuation of FM radio channels.

2.3 Therefore, in addition to population, three other relevant state-level variables were identified, to group cities with similar revenue generation potential namely, Per capita income, Listenership of FM Radio and Per capita Gross Revenue (GR) earned by existing FM Radio operators.

2.4 As per FM Phase-III policy guidelines of MIB dated 25.07.2011, cities have been grouped in following six categories based on their population:

Table 2.1: Category of cities on the basis of population

S. No.	Category of Cities	Population
1	A+	Metro cities
2	A	> 20 lakhs
3	B	> 10 lakhs up to 20 lakhs
4	C	> 3 lakhs up to 10 lakhs
5	D	> 1 lakh up to 3 lakhs
6	Others	Less than 1 lakh in border and hilly areas of NE, J&K, Ladakh & Island Territory

2.5 In 2015, the Authority applied a two-stage process for estimating reserve prices for FM Radio channels in new cities. The first stage involved determining the valuation of FM Radio channels in each new city, and in the second stage, the reserve price for each city was calculated by multiplying the valuation of FM Radio channel by a factor same as used for telecommunication services which was based on past domestic as well as international experience and worked well till then in telecom sector.

2.6 Ideally, an optimal approach would have been to estimate the variables such as per capita Gross Domestic Product (GDP) and per capita Gross Revenue (GR) on a district level basis. However, since updated city or district level official data for key variables such as district-wise Gross Domestic Product and district population was not available, these variables could not be estimated at the district level. Therefore, the Authority relied on state/UT-level data to estimate the required parameters. The state/UT level parameters were used as a proxy to reflect the revenue potential and economic activity of a city.

2.7 Mathematically, the above model was expressed as:

V = f (per capita GSDP, per capita GR, Listenership of FM Radio; population)

where,
V represents the valuation of the FM radio channel
f denotes a function of the stated parameters

2.8 During the recommendations on Reserve Price for auction of FM Radio Channels dated 10th April 2020, the Authority explored various options for valuing FM Radio channels to introduce city specific factor in the calculation. Due to the limited availability of any reliable macroeconomic parameter on the city level which can capture the media-market potential of a particular city independent of state or regional bias, the three state-level variables (GSDP, GR and listenership) were used to arrive at preliminary value. The Authority observed that the state/union territory level variables, considered in its recommendations of 2015 continue to be relevant in valuation of FM Radio channels in 2020 exercise also.

2.9 Further, in order to bring city-specific effect, the Authority decided that Market Intensity Index (MII)[6] can be used for the purpose. MII is an index to measure market potential of a particular district on the basis of four variables namely, means or ability to purchase of an average consumer, consumption pattern of individuals, degree of penetration of media, and infrastructures to support market activities. Considering the components and approach of estimating MII, it was considered that the same is a better representative of city-specific potential for business and using the same to adjust the values determined based on state-specific parameters will make the values a better representative of the actual potential value of FM radio channel in a city.

The Present Reference

2.10 The present Consultation Paper on 'Reserve Prices for Auction of FM Radio Channels' dated 1st August 2024 described the methodology used in the 2020 recommendations and sought comments from stakeholders on whether the same methodology should be adopted for estimating the Reserve Prices for FM radio channels in the cities of Bilaspur, Rourkela, and Rudrapur.

2.11 Accordingly, in the consultation paper the following issues were raised for seeking comments from the stakeholders:

Q1. Do you agree that the methodology used in TRAI's recommendations dated 10th April 2020 for determining reserve prices of FM Radio channels should be used for determining reserve prices of FM Radio channels in the cities of Bilaspur, Rourkela and Rudrapur?

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[6] R.K. Swamy Hansa's Guide to Market Planning: 2017 Fourth Edition

a. If yes, please provide a detailed justification for your views.

b. If no, please suggest an alternative approach/ methodology with details and justifications.

Q2. Due to non-availability of updated radio listenership estimates data and Market Intensity Index, whether the same data, as used in 2020 recommendation, can be used in the present exercise as well? In case the answer is no, which alternative data/methodology can be used for the same purpose?

Comments of stakeholders on Q1 and Q2

2.12 Some stakeholders have agreed that the existing methodology can be used. One stakeholder has stated that 2019 IRS listenership survey should be taken for listenership estimates of this exercise.

2.13 A few stakeholders have not favoured use of 2019 IRS listenership data. One stakeholder submitted that updated and relevant data should be obtained before proceeding with the determination of Reserve Price and other issues.

2.14 Another stakeholder submitted that the current practice of deriving radio listenership from newspaper readership surveys is flawed considering the medium of news consumption has changed from traditional Newspapers to digital and social media platforms. Thus, a data collection approach focused on digital platforms could be more accurate.

Analysis of issues

2.15 In its earlier Recommendations on Reserve Prices for Auction of FM Radio Channels in New Cities dated 24.03.2015, the Authority adopted a valuation methodology that factored in key indicators such as per capita Gross State Domestic Product (GSDP), FM radio listenership, per capita Gross Revenue (GR), and population. These variables were selected to capture both demand and supply-side aspects of FM radio services and to reflect the overall market potential of a city. Subsequently, in the Recommendations on Reserve Price for Auction of FM Radio Channels of 2020, the Authority broadly followed a similar methodology. Additionally, a new factor, Market Intensity Index (MII) was introduced in 2020 to account for city-specific market characteristics.

2.16 The Authority is of the opinion that the valuation methodology adopted in 2020 is a relevant approach even in the present exercise since the selected variables reflect both the capacity and willingness of the population to use FM radio services, as well as the revenue generation by service providers, thus balancing demand and supply-side factors. The objective of arriving at a reasonable reserve price is better served when valuation is based on both the demand and supply side factors.

2.17 However, in addition to the above three variables, the Authority in the present exercise also notes that city-specific Auction Determined Prices (ADPs) of 2015-2016 auctions are available for two cities, namely, Bilaspur and Rourkela. However, no such data is available for Rudrapur, which is being considered for auction for the first time. In the various past access spectrum valuation exercises, the Authority noted that the price discovered through the auction process is regarded as one of the important indicators of market's valuation of spectrum and accordingly, past auction determined prices have been considered for the valuation of spectrum. In view of the above, the Authority is of the view that past ADPs, wherever available, should be used in the present exercise for valuation of FM radio channels.

2.18 Accordingly, for the purpose of valuation and determination of reserve prices for FM Radio channels in the cities of Bilaspur, Rourkela, and Rudrapur, the Authority has decided to adopt a broad-based valuation framework, considering all the variables considered in 2020 valuation exercise, such as population of the city along with three state-level variables: per capita Gross State Domestic Product, per capita Gross Revenue and FM radio listenership. Additionally, the Market Intensity Index (MII) is applied to valuation arrived using each of these variables to capture city-specific market characteristics. Further, in the present exercise, valuation has also been derived using a fourth variable, namely, the auction-determined prices (ADP) from the auctions held in 2015–16 and 2025. In order to take into consideration, the fourth variable i.e. ADP, which is city specific, the first three variables are required to be made city specific by applying MII individually and thereafter taking average of all four variables for valuation purpose.

2.19 The Authority considered the ADP from the auctions held in July 2025 wherein the Reserve Prices were based on the Authority's recommendations on 'Reserve Price for auction of FM Radio channels' sent on 10.04.2020 for 283 cities (260 new and 23 existing) under the FM Phase-III Policy. MIB had accepted these recommendations and conducted the auctions for allotting 730 channels in 234 new cities on 9th and 10th July 2025. The Authority noted that bids for only 63 channels in 43 cities have been received[7] and all the bidders have paid the bid money. Authority while deciding to use the same methodology for valuation, examined the possible reasons for less uptake of channels in July 2025 auctions and considered various factors impacting financial performance of the private FM radio broadcasters that could have deterred the prospective bidders

[7] https://mib.gov.in/sites/default/files/2025-08/final_result-1.pdf

from larger participation in the auction process. These issues have been discussed in subsequent paragraphs under the heading “Other Issues”.

2.20 The Authority has considered various factors and made amends in its methodology for arriving at Reserve Price as compared to the one used in its Recommendations on “Reserve Price for Auction of FM Radio Channels” dated 10.04.2020, wherein the Authority had applied a multiplication factor of 0.8 to the valuation for estimating the reserve prices of FM radio channels across cities. However, in the present valuation exercise, the Authority has recommended that the reserve price should be set at 70% of the valuation. This calibrated reduction in the reserve price is expected to ease the financial burden on FM radio operators, particularly in view of the stagnation in revenue growth of the FM radio sector over the last decade and the increasing competitive pressure from substitute platforms such as online music streaming and other digital media services. By reducing the financial burden, this approach is likely to encourage wider participation in the auctions and facilitate the proliferation of FM radio.

2.21 In addition to above, to ease the entry barrier and reduce financial burden on successful bidders, the Authority has also considered possible options for payment of successful bid amount similar to the spectrum auction done by Department of Telecommunications which has been dealt with in section on Other Issues.

2.22 For supporting the industry, reeling under financial stress, the Authority has also recommended the government to accept its earlier recommendations as discussed in the ‘Other Issues’ section in this chapter. These include allowing FM Radio broadcasters for voluntary sharing of infrastructure, broadcasting news and current affairs programs, streaming programmes of a radio channel concurrently without user control and delinking annual license fee from NOTEF. In addition, the Authority also considers it necessary to provide further relief to the new and existing FM broadcasters by way of giving Prasar Bharati's land and tower infrastructure (LTI) and common transmission infrastructure (CTI) at concessional rent.

2.23 The Authority is of the view that the recommendations made herein, if accepted, are expected to ease the tough financial situation faced by private FM Radio broadcasters and with the methodology adopted in this recommendation, more prospective bidders will find it lucrative to participate in future auctions.

2.24 The detailed methodology used for the valuation of FM radio channels in the present exercise is explained in the steps below:

Step-I

- **Population:** The first step of the valuation exercise involves grouping of cities based on a dominant characteristic (variable) that is, the population of a city. This yields a classification in terms of category A+, A, B, C, D and Others cities, as per criteria specified in Phase-III Policy guidelines of MIB, based on population data of 2011 Census.

Step-II

- The next step involves categorization based on three additional characteristics (variables) - per capita GSDP, per capita Gross Revenues, and FM radio listenership. The values of these variables are based on available data on a State/UT basis.

- The valuation of FM radio channels has to be done for a particular city or district. Ideally, an optimal approach would have been to estimate the variables such as per capita Gross Domestic Product (GDP) and per capita Gross Revenue (GR) on a district level basis. The Authority has reviewed the information/data available with the Directorates of Economics and Statistics of various State Governments and observed that updated Gross District Domestic Product (GDDP) data is not uniformly available. In several cases, GDDP data is either missing for certain districts or available for different years across districts, thereby lacking consistency and comparability. Accordingly, since updated city or district level official data for key variables such as district-wise Gross Domestic Product and district population is not available, these variables cannot be estimated at the district level. Therefore, consistent with the methodology adopted in the Recommendations of 2015 and 2020, the Authority in the present exercise has also relied on state/UT level data to estimate the required parameters. Accordingly, all three variables, namely per capita Gross Domestic Product, FM radio listenership, and per capita Gross Revenue, have been estimated using state/UT level data.

- **Per capita GSDP**: In the absence of city/district-level data, the closest parameter for measuring the per capita income in a particular city/region could be the Gross State Domestic Product (GSDP). Therefore, per capita GSDP of a state/UT is taken as a proxy indicator for assessing the level of economic activity and, hence, the revenue generation potential in that state. In the present exercise GSDP data[8] for 2023-24 is used.

[8] Data available on website of Ministry of Statistics and Programme Implementation (MoSPI) http://www.mospi.gov.in/

- **Per capita Gross Revenue**: The per capita GR of a state/UT is estimated by taking into consideration the sum of Gross Revenues reported to MIB by FM broadcasters for all the cities where FM Radio stations are operational in a state/UT and dividing it by the population of that state/UT. Gross Revenue (GR) data[9] of existing FM Radio broadcasters for 2023-24 is used.

  It is important to note that the number of operational FM radio stations is uneven across the states. While some states have a large number of cities where FM Radio channels are operational, others have only a few operational FM radio channels. This variation can result in differences in the total Gross Revenue reported by different states, as those with more operational cities may generally generate higher total revenues. To address this disparity, the revenue potential of a state is assessed on a per capita basis. This approach is considered more appropriate and equitable, as while the absolute Gross Revenue of such states may be higher due to a greater number of operational cities, calculating revenue on a per capita basis helps to normalize this effect. The revenue performance is assessed relative to the population size, thereby enabling a fairer comparison across states regardless of the number of operational FM radio channels across the cities.

  In view of the above discussion, the per capita GR and per capita GSDP have been adopted as key variables in determining the valuation of FM radio channels as was done in 2015 and 2020 exercises.

[9] Provided by Ministry of Information and Broadcasting

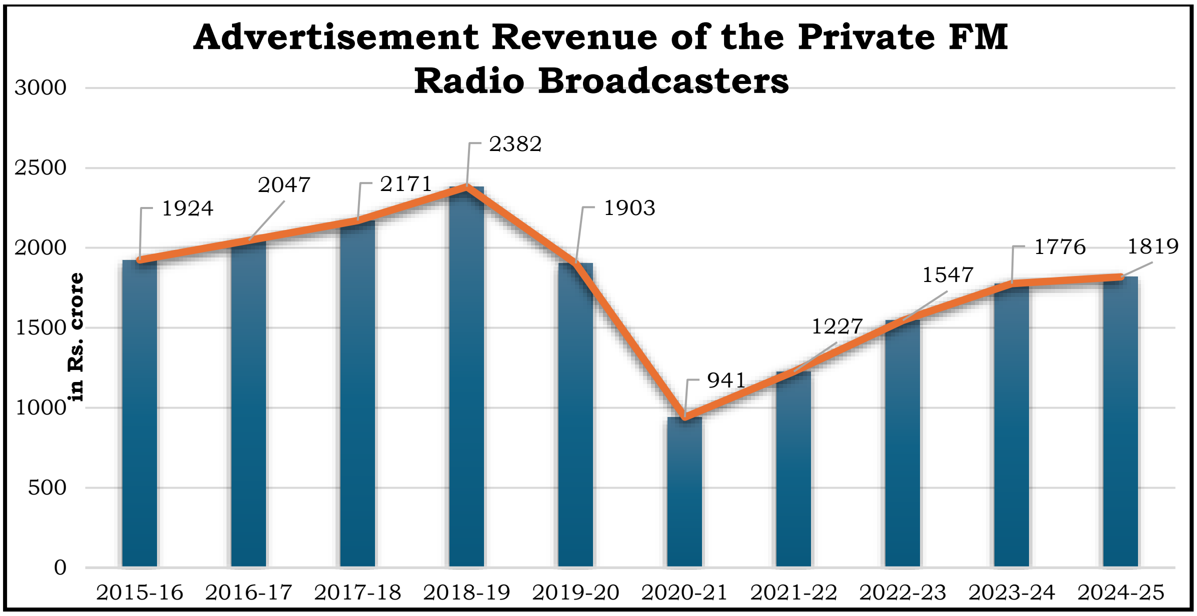
- **FM Radio listenership**: A few stakeholders have suggested for use of updated FM Radio listenership data and use of digital and social media platforms in IRS survey instead of traditional newspapers.

  In this regard, the Authority noted that contrary to the apprehension, the Indian Readership Survey (IRS) is a comprehensive media consumption study[10] that collects data on multiple media, including print (newspapers and magazines), radio, television, digital media, and cinema. Further, the Authority noted that the radio listenership estimates provided by the IRS of Media Research Users Council India for Q3 2019, weighted by the population of each state/UT, were used in the 2020 exercise. The updated radio listenership data[11] of IRS is not available beyond Q3 2019. However, the Authority analysed the total advertisement revenue of private FM Radio broadcasters over the last ten financial years. The same is shown in the table below:

Table 2.2: Advertisement Revenue of the private FM Radio broadcasters [12]

Financial Year	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Advertisement Revenue (Rs. in Crore)	1924	2047	2171	2382	1903	941	1227	1547	1776	1819

[10] https://indianmediastudies.com/indian-readership-survey/
[11] IRS data published by Media Research Users Council India
[12] The data is based on information submitted by the private FM Radio broadcasters to TRAI



- The Authority has reviewed the total advertisement revenue of FM Radio broadcasters for the period spanning financial years 2015-16 to 2024-25. The data indicates a consistent increase in revenue of Rs 1,924 crore in FY 2015-16 to a peak of Rs 2,382 crore in FY 2018-19.

- Further, a decline in total advertisement revenue to Rs 1,903 crore was observed in FY 2019-20, which further decreased to Rs 941 crore in the subsequent financial year. This notable decline may be partially attributed to the impact of the COVID-19 pandemic. Subsequently, revenue has shown a gradual recovery, reaching Rs 1,819 crore in FY 2024-25, which is close to the figures reported in FY 2019-20.

- In light of the comparable revenue figures between FY 2019-20 and FY 2024-25, the Authority is of the view that using the 2019 Indian Readership Survey (IRS) data from the Media Research Users Council India (MRUC) as a proxy for current radio listenership is a justifiable approach for the present valuation exercise. Therefore, the Authority has decided to continue using the listenership estimates provided by the Indian Readership Survey (IRS) of 2019, for the present exercise as well.

Step-III

- The values of the variables in Step II, namely per capita GSDP, per capita Gross Revenue, and FM Radio listenership are calculated using data at the state/UT level. In line with the methodology followed in 2015 and 2020 recommendations, the mean value is then derived for each of the said three variables.

- The value of each of the three variables, namely per capita Gross State Domestic Product, FM Radio listenership, and per capita Gross Revenue, for a particular state is compared with the average value of the respective variable computed across all States/UTs. This exercise is carried out separately for each of the three variables. Based on the comparative analysis, the States /UTs are classified into three categories for each variable.

Step-IV

- States/UTs with more than 25% of the mean value of the concerned variable are placed in the first group. States/UTs with less than 25% but more than -25% of the mean value of the concerned variables are placed in the second group. States/UTs with less than -25% of the mean value of the concerned variables, are placed in the third group. Following the step, three groups of states were obtained under each of the categories i.e. per capita GSDP, per capita GR and FM radio listenership.

- On the basis of the State/UT-wise estimates of per capita GSDP, States/UTs were categorized and divided into three groups J, K, and L (**Annexure-V**). A similar exercise was replicated for the other two variables, namely, per capita GR earned and radio listenership. This yielded three groups, F, G, and H (**Annexure-**

VI), based on the per capita GR and another three groups, Q, R, and S (**Annexure-VII**), based on FM radio listenership. The same is summarized in the table below:

Table 2.3: Grouping of States

Parameters	GSDP per Capita	GR per Capita	FM Radio Listenership
States/UTs with more than 25% of mean value of the concerned variable	Group J	Group F	Group Q
States/UTs with less than 25% but more than -25% of the mean value of the concerned variables	Group K	Group G	Group R
States/UTs with less than -25% of the mean value of the concerned variables	Group L	Group H	Group S

- Using the above classification, the cities of Bilaspur, Rourkela and Rudrapur are classified as follows:

Table 2.4: Classification of Cities

City	State	Basis of Classification			
		Population	Per Capita GSDP	Per Capita GR	FM Radio Listenership
Bilaspur	Chhattisgarh	C	L	H	S
Rourkela	Odisha	C	L	H	R
Rudrapur	Uttarakhand	D	K	H	S

Step-V: Estimation of Reference Prices

- The Authority has been consistently using the concept of reference prices for valuation of an FM Radio channel. Reference prices are the average of all successful bids in each existing city in a particular auction.

- In 2020 valuation exercise, the Authority considered the following for estimating the reference prices:
  - The auction prices of Phase-II auction conducted in 2005.
  - The auction prices of Phase-III auction conducted in two batches in 2015 and 2016.

- In the present valuation exercise, the auction prices of the Phase-II auction conducted in 2005 have not been considered due to the significant time gap. With almost 20 years having passed, the Authority is of the view that the auction prices from that period may not reflect the current market value of FM radio channels.

- As stated above, the auction of the third Batch of FM Radio Phase III channels has been recently concluded in July 2025. In this auction, successful bids have been identified, and the relevant information is available on the MIB website[13]. As per communication received from MIB, all the successful bidders have paid the successful bid amount by the due date.

- Therefore, in the present valuation exercise, the Authority has considered the auction prices of Phase-III auctions conducted in batch I, II and III in 2015, 2016 and 2025 respectively as reference prices.

[13] https://mib.gov.in/sites/default/files/2025-08/final_result-1.pdf

- Further, in the present exercise, the Authority examined whether the auction prices of 2015–16 should be adjusted for the time gap or inflation, using metrics such as the Marginal Cost of Lending Rate (MCLR) or the relative revenue of 2015–16 with respect to the present revenue. As can be seen from Table 2.2 above, although the FM radio sector is showing signs of recovery, it remains in a post-pandemic revival phase, with revenues still slightly below pre-COVID levels. It is worth mentioning that the total revenue of the industry is approximately similar for the three financial years viz. 2015-16, 2019-20 and 2024-25. Despite increase in the number of channels from 2015 till now, the total advertisement revenue has remained same. Accordingly, the Authority is of the view that there is no justification for indexing the auction prices of 2015–16, either by MCLR or based on relative revenue trends. This assessment is considered reasonable in view of the prevailing state of the FM radio industry and the evolving market dynamics.

- In addition, the sector is facing increased competition from digital audio platforms. This is potentially shifting listener preferences—particularly among urban and younger demographics away from traditional FM Radio towards more flexible, subscription-based digital audio services. The resulting substitutability effect is expected to have an impact on FM radio listenership. The Authority is of the view that post-pandemic, though there is a steady increase in the revenue, it is slow, indicating that while private FM radio is regaining its share, it may be losing ground to digital and other advertising mediums. In the light of these revenue trends, demand-side challenges and technological shifts, maintaining the 2015–16 auction prices without inflation adjustment aligns with the current market realities and supports a balanced, pragmatic approach.

- In the present context, for the purpose of valuing FM radio channels in Bilaspur, Rourkela, and Rudrapur, it is essential to determine appropriate reference prices. These reference prices are derived from the last available market-based data, specifically the actual successful bids received during the Phase-III FM radio auctions conducted in 2025 and 2015-16. Since Bilaspur and Rourkela fall under Category 'C' and Rudrapur under Category 'D', successful bid prices from the 2025 and 2015–16 auctions for cities in the respective categories (i.e. Category 'C' and 'D') have been considered for determining the reference prices. (**Annexure-VIII**).

- For the present exercise, the Authority has considered data from the 2015–16 and 2025 auctions. The valuation is based on the average auction prices within each category. It may be noted that in 2020 valuation exercise, certain outliers were identified and removed by excluding cities whose auction price exceeded twice the average price within their category, defined by population and either per capita GSDP, per capita GR, or radio listenership. Consistent with the approach adopted in 2020, the Authority has identified and excluded such outliers in the current valuation exercise as well. The Authority is of the view that the removal of such values reduces upward bias in the dataset and stabilises the mean, thereby making it a more reliable and representative indicator.

- Furthermore, the Authority observes that the objective of the auction of FM radio channels is not confined solely to revenue realization but encompasses a broader objective of advancing public interest. FM radio functions not only as a medium of entertainment for the masses but also fulfils critical socio-economic objectives by disseminating information, fostering public awareness, promoting education, facilitating community participation, and serving as an important means of communication for disseminating timely alerts and guidance during disasters and emergencies. Hence, in the process of valuation, the focus cannot solely be kept on earning revenues, but also take in to account larger societal interests.

- Considering population size as one characteristic and one of the other three variables as the second characteristic, existing cities are classified into a matrix in which each cell contains a group of existing cities. Accordingly, all the cities, which belong to a particular category based on population and a particular group based on per capita GSDP, are classified in the (1,1) cell of Matrix-I. Considering this, the existing cities of categories 'C' and 'D' are classified into each cell of Matrix-I **(Annexure IX)**. On similar lines, two other matrices, namely Matrix-II **(Annexure X)** based on the per capita GR and Matrix-III **(Annexure XI)** based on listenership of FM radio are derived.
- The above steps yield three matrices i.e. Matrix-I, Matrix-II and Matrix-III with averages of indexed reference prices assigned to each cell. This effectively establishes a relationship between city characteristics and reference price.

Step-VI: Mapping of reference prices

- The reference prices for the cities of Bilaspur, Rourkela, and Rudrapur have been determined by mapping them to the successful bids received in the 2025 and 2015–16 auction for cities belonging to similar categories. These include:
    - Category (C, L) for Bilaspur and Rourkela and Category (D, K), for Rudrapur based on Gross State Domestic Product (GSDP) per capita (**Annexure-XII);**

- Category (C, H) for Bilaspur and Rourkela and Category (D, H), for Rudrapur based on Gross Revenue (GR) per capita **(Annexure- XIII);**
- Category (C, S) for Bilaspur, Category (C, R) for Rourkela, and Category (D, S) for Rudrapur, based on Radio Listenership (**Annexure- XIV**).

Step-VII: Valuation based on 4 variables

(i) Valuation based on three state level variables viz., per capita GSDP, per capita Gross Revenues, and FM radio Listenership

- In this step the valuation of FM radio channel is derived based on population along with each of the three state level variables viz., per capita GSDP, per capita Gross Revenues, and FM radio listenership. As mentioned above, the valuation is to be determined for an FM radio channel in a specific city, however, since these variables are available only at the state level, the valuation derived from each variable is adjusted using the Market Intensity Index (MII) to account for city-specific market characteristics.

- During 2020 recommendation exercise, to arrive at valuation for FM Radio channels in each city, the Average Value of FM radio channel in a city was modified by multiplying it with the city factor as reflected in Market Intensity Index (MII). To this effect, the Authority noted that R.K. Swamy Hansa's Guide to Market Planning: 2017 Fourth Edition contained estimates of Market Intensity Index (MII) at district level.

- MII is an index to measure market potential of particular district on the basis of four variables namely, means or ability to purchase of an average consumer, consumption pattern of individuals, degree of penetration of media, and infrastructures to support market activities. Considering the components and approach of estimating MII in the book, it was considered that the same is a better representative of city-specific potential for business and using the same to adjust the values determined on the basis of state-specific parameters would make the values a better representative of the actual potential value of a radio station in a city. Accordingly, to arrive at a valuation for FM Radio channels in each city, the Average Value of a city was modified by multiplying it with the city factor as reflected in MII.

- However, the Authority has observed that the Market Intensity Index (MII) has not been updated beyond the year 2017. In this context, the Authority also explored the possibility of obtaining a comparable index from various academic and professional institutions; however, no such index was found to be available. This issue was also posed in the consultation paper, but no alternative was suggested by any stakeholder.

- It is pertinent to mention that the current valuation methodology adopted for FM radio channels is primarily based on the relative values of key parameters rather than their absolute figures. Further, the MII assigns a score to each district based on a comprehensive set of variables. However, this score is not assigned on an absolute scale but is determined relative to the average score of a district, which is taken as the base value of 100. Accordingly, while the absolute market intensity in a given district may have changed over time, it is reasonable to assume that the relative market intensity across districts is still largely relevant.

- In light of the above, the Authority is of the view that it is reasonable to adopt the Market Intensity Index (MII) of 2017 to account for city-specific factors in the present valuation exercise. It is worth mentioning that in the valuation exercise carried out in 2020, the average valuation derived from the individual valuations based on three variables—namely, per capita Gross State Domestic Product (GSDP), per capita Gross Revenue, and FM radio listenership—was adjusted using the Market Intensity Index (MII) to account for city-specific factors.

- However, as stated above, in the present exercise, valuation has also been derived using a fourth variable, i.e., the auction-determined price from the 2015–16 auction. Since the auction-determined price is inherently city-specific, it does not require any further adjustment with MII. Accordingly, adjusting the average valuations derived from all four variables with MII adjustment is not feasible in this scenario. Therefore, each of the individual valuations derived from the three variables—per capita GSDP, per capita Gross Revenue, and FM radio listenership—has been separately adjusted using the MII. This is elaborated in the succeeding paragraphs.

- The valuation of Bilaspur and Rourkela, based on population and Gross State Domestic Product (GSDP) per capita i.e., V_{GSDP} is equivalent to the average of reference prices for existing cities in category (C, L).

  Similarly, for Rudrapur, V_{GSDP} is equivalent to the average of reference prices for existing cities in category (D, K).

  The valuation of Bilaspur, Rourkela and Rudrapur based on population and Gross per capita State Domestic Product (GSDP) (V_{GSDP}) is tabulated below. (**Annexure-XII**)

Table 2.5: MII adjusted Valuation based on per capita GSDP
(Rs in crore)

City	V_{GSDP}	MII	MII adjusted V_{GSDP}
	(i)	(ii)	(i)*(ii)
Bilaspur	0.87	0.8	0.69
Rourkela	0.87	0.94	0.82
Rudrapur	1.45	1.19	1.73

- The valuation of Bilaspur and Rourkela, based on population and Gross Revenue (GR) per capita i.e., V_{GR} is equivalent to the average of reference prices for existing cities in category (C, H).

  Similarly, for Rudrapur, V_{GR} is equivalent to the average of reference prices for existing cities in category (D, H) (**Annexure-XIII**).

  The valuation of Bilaspur, Rourkela and Rudrapur based population and per capita Gross Revenue (V_{GR}) is attached at (**Annexure-XIII**) and is also tabulated below.

Table 2.6: MII adjusted Valuation based on per capita GR
(Rs in crore)

City	V_{GR}	MII	MII adjusted V_{GR}
	(i)	(ii)	(i)*(ii)
Bilaspur	1.53	0.8	1.22
Rourkela	1.53	0.94	1.44
Rudrapur	1.06	1.19	1.26

- The valuation of Bilaspur based on population and FM radio listenership i.e., V_{RL} is equivalent to the average of reference prices for existing cities in category (C, S).

For Rourkela, V_{RL} is equivalent to the average of reference prices for existing cities in category (C, R).

For Rudrapur, V_{RL} is equivalent to the average of reference prices for existing cities in category (D, S) (**Annexure -XIV**)

The valuation of Bilaspur, Rourkela and Rudrapur based population and FM radio listenership (V_{RL}) is attached at (**Annexure-XIV**) and is also tabulated below.

Table 2.7: MII adjusted Valuation based on radio listenership

(Rs in crore)

City	V_{RL}	MII	MII adjusted V_{RL}
	(i)	(ii)	(i)*(ii)
Bilaspur	3.11	0.8	2.49
Rourkela	3.78	0.94	3.56
Rudrapur	1.00	1.19	1.19

(ii) Valuation based on city specific past auction determined prices

- As discussed above, in the present exercise along with the above three variables, the valuation of FM radio channel is also calculated based on the past auction determined prices. City-specific Auction Determined Prices (ADPs) (Highest successful bids) from the 2015-2016 auctions are available for two cities, namely Bilaspur and Rourkela. However, no such data is available for Rudrapur, which is being considered for auction for the first time.

- It is pertinent to mention that a recent FM radio auction was concluded in July 2025. However, the three cities under consideration, namely Bilaspur, Rourkela and Rudrapur, were not included in this auction and therefore bid prices for these cities are not available from the 2025 auction. Accordingly, in the present exercise, the fourth variable, that is, the auction prices for Bilaspur and Rourkela, has been taken from the 2015–16 auction, as these are the last available bid prices for these cities.

- It is pertinent to note that almost ten years have elapsed since the last auction, which may suggest a need to index the auction prices to account for the time gap or inflation. However, as deliberated earlier, while the FM radio sector is showing signs of recovery, it continues to remain in a post-pandemic revival phase, with revenues still marginally below pre-COVID levels. It is also noteworthy that the total revenue of the industry is approximately at the same level as it was during the financial year 2015–16. Despite an increase in the number of operational channels since 2015, the overall advertisement revenue has remained largely unchanged.

- In view of the above, the Authority is of the opinion that for the cities, Bilaspur and Rourkela, the auction determined prices (highest successful bid) of 2015-16 auctions remained the last available prices and the same may be used as, without indexation, as one of the possible valuations of FM Radio channels in the present exercise, as given in Table below:

Table 2.8: Valuation based on past Auction Determined Prices (Highest Successful bids)

(Rs in crore)

City	Valuation equal to Auction Determined Prices (2015-16)
Bilaspur	0.33
Rourkela	1.02
Rudrapur	-

Step-VIII: Average Valuation

- In Step VII above, four separate valuation figures were derived for each city. These were based on the following:

  (i) Population and per capita Gross State Domestic Product (V_{GSDP}),

  (ii) Population and per capita Gross Revenue (V_{GR}),

  (iii) Population and FM radio listenership (V_{RL}) and

  (iv) Auction determined price (Highest successful bids) of 2015-16

  The valuation for a FM radio channel is calculated by taking the simple arithmetic mean of these four valuation figures. Accordingly, the average valuation for each city is presented in the table below:

Table 2.9: Method-I: Valuation (Average) of FM radio channels

(Rs in crore)

City	Parameters				Valuation (Average of i, ii, iii, iv)
	MII adjusted V_{GSDP}	MII adjusted V_{GR}	MII adjusted V_{RL}	ADP 2015-16	
	I	ii	iii	iv	
Bilaspur	0.69	1.22	2.49	0.33	1.18
Rourkela	0.82	1.44	3.56	1.02	1.71
Rudrapur	1.73	1.26	1.19	-	1.39

<u>Estimation of Reserve price for cites of Bilaspur, Rourkela and Rudrapur</u>

2.25 Regarding the estimation of Reserve Price of FM Radio Channels, the following question was raised in the Consultation Paper: -

Q3. Should a multiplication factor of 0.7 be used for estimating the reserve price from average valuation of FM Radio channels?

Comments of stakeholders on Q3

2.26 One stakeholder suggested that the multiplication factor should be 0.25. This will ensure greater participation and successful bidding.

2.27 Another stakeholder submitted that a lower multiplication factor of 0.5 could give a more realistic reserve price. The multiplication factor of 0.7 appears to be higher, going by the present trend as with smartphones dominating content consumption and FM radio absent from most new models, listenership has significantly dropped.

2.28 One stakeholder submitted that a single multiplication factor should not be used for all categories of cities, as the market potential of cities within a category and across the categories are different.

Analysis of issue

2.29 The Authority vide its Recommendations on Reserve Price for Auction of FM Radio channels 2020 recommended that Reserve price (RP) for FM radio channels in a city, except the cities situated in NE, J&K and Andaman and Nicobar, should be set equal to 0.8 times the valuation of FM radio channels in that city.

2.30 In various access spectrum valuation exercises till 2020, for the purpose of determining the reserve price for access spectrum, the Authority had adopted a multiplication factor of 0.8, i.e., the reserve price was set at 80% of the valuation of the access spectrum. This approach was taken as the basis for recommending reserve prices for FM radio channels.

2.31 Even in 2015 recommendations, the Authority recommended that RP of FM radio channel should be set equal to 80% of the valuation. The reserve prices recommended were not considered by MIB and set the reserve prices on the basis of FM Phase III policy guidelines.

2.32 Further, the Authority gave its recommendations on 'Reserve Price for auction of FM Radio channels' on 10.04.2020. In the 2020 exercise, a multiplication factor of 0.8 was applied for estimating the reserve prices of FM radio channels across cities. MIB has accepted these recommendations and conducted the auctions for allotting 730 channels in 234 new cities on 9th and 10th July 2025.

2.33 For the purpose of reserve price fixation, the Authority abides by the principle that the reserve price should be set at an optimal level to ensure effective competition and price discovery. A high reserve price may discourage participation and the competitiveness of the auction. Low participation leads to low sales and revenue. On the other hand, too low a reserve price hampers the realisation of the true value of the underlying asset by incentivizing collusive behaviour among participants. Moreover, it may also incentivize entry of non-serious bidders.

2.34 A balanced intermediate reserve price satisfies the basic objectives of reserve price setting viz., ensuring realization of the underlying value of the asset being auctioned and deterring collusive behaviour among bidders. In order to ensure competitive bidding and price discovery, the reserve price should not be too close to the expected/predicted valuation of the object put up for auction.

2.35 In the present context, the Authority aims to determine the reserve price at a level that not only reflects the value of the FM radio channel but also incentivizes participation from bidders and fosters competition in the auction process. Enhanced uptake of FM radio channels by bidders is essential for the proliferation of FM radio services and for ensuring their widespread reach, particularly in underserved areas.

2.36 In this regard, the Authority takes note that vide its recommendations on 'Auction of Spectrum in frequency bands identified for IMT/5G' of 2022 the Authority had recommended that reserve price should be set at 70% of the average valuation. The Authority was of the view that it would ensure healthy competition, leading to the discovery of the true market price. The Authority *inter alia* noted that:

(i) The reserve price is not the final auction price;

(ii) Brown and Morgan[14] found from results of field experiments of auctions of collectible coins that positive reserve prices set at the level of 70% of the purchase price of the coins lead to higher revenues and lower number of bidders relative to zero reserve prices

[14] Brown, Jennifer and John Morgan (2009), How much is a Dollar Worth? Tipping versus equilibrium co-existence on competing online auction sites, The Journal of Political Economy

(iii) Malisuwan et al[15] noted that the ratio of reserve price to auction price "*…possibly varies greatly across the historical database - from less than 0.1 to 1*", and that in many cases, regulators determine to multiply estimates of spectrum value by 70%-80% to derive the reserve prices.

(iv) The Authority also noted that Plum Consulting, as part of the ITU team advising the National Broadcasting and Telecommunications Commission (Thailand) ahead of the 2015 auctions in the 900 MHz and 1800 MHz bands, had recommended reserve prices at approximately 70% of the estimated value.[16]

2.37 In view of the above, the Authority in IMT|5G recommendation of 2022 considered that a reserve price set at 70% of the average valuation of spectrum band would go a long way in helping discover the market clearing price of the access spectrum.

2.38 In order to arrive at a reserve price that strikes the right balance between reflecting the value of the FM radio channel and incentivizes participation from bidders, it may be beneficial to analyse the market trends of the FM radio sector. These are discussed in the succeeding paragraphs.

2.39 The widespread availability of high-speed internet through 4G and 5G networks has significantly improved access to digital content, allowing users to stream music, songs, podcasts and even app based radio channels streaming on a variety of devices. The increasing use of smartphones and the integration of Bluetooth-enabled systems in cars have further enabled convenient, on-the-go access to online audio platforms. In many

[15] Malisuwan, Settapong, et al (2016), Mobile Spectrum Value and Reserve Price by using Benchmarking Approaches, International Journal of Scientific Engineering and Technology, 5:1 (pp. 81-4)

[16] Chan, Yi Shen and Sarongrat Wongsaroj (2016), Valuing Spectrum in Thailand: what can we learn?, Plum Insight, available at plumconsulting.co.uk.

new vehicles, traditional FM radio systems are being replaced or supplemented by Android/iOS-based infotainment systems, which support digital streaming apps. As a result, users can listen to content of their choice, as per their individual preferences and convenience.

2.40 This shift is expected to lead to a rise in subscriptions to audio streaming platforms, particularly among the younger demographic and urban audiences, who often prefer on-demand content over scheduled FM radio broadcasting. Digital streaming allows users to skip, search, and curate their own playlists, making it a more flexible and personalized option.

2.41 The growing popularity and ease of access to online and app-based audio services have introduced a potential substitutability effect, which is likely to impact the traditional FM radio listenership and consequently the revenue of the FM radio sector. These developments must be taken into consideration while determining reserve prices for FM radio licenses, as they directly influence the competitive landscape and the long-term value proposition of FM radio.

2.42 With respect to revenue, it has been tabulated and stated above that, the total advertisement revenue of the FM radio industry stood at Rs. 1903 crore in the financial year 2019–20. This revenue declined significantly to Rs. 941 crore in the following year which may be attributed to COVID-19 pandemic. Thereafter, the industry witnessed a gradual recovery, with revenue increasing to Rs. 1819 crore in the financial year 2024–25. Although the industry is currently experiencing year-on-year positive revenue growth, the present revenue figure, while nearing the 2019–20 level, still remains marginally lower. This may indicate that the FM radio sector is in a post-pandemic recovery phase. These revenue trends are important considerations while determining the reserve price.

2.43 In light of the aforementioned market dynamics marked by increased competition from streaming audio platforms, the Authority is of the view that setting a high reserve price may disincentivize participation and uptake of FM radio channels, consequently adversely impacting the overall objective of proliferation of FM radio service.

2.44 Considering the above factors, including international studies, inputs from consultancy firms, technological advancements, and prevailing revenue trends, the Authority is of the considered view that setting the reserve price at 70 % of the valuation, would be appropriate. This approach is expected to foster healthy competition during the auction process, facilitate price discovery, encourage wider participation from interested bidders and eventually will help in achieving the Government's objective of proliferation of FM services.

2.45 In this context, it is relevant to note that in case of Bilaspur and Rourkela the 2015–16 auction of FM radio channels was a fully successful auction as all available frequencies in Bilaspur and Rourkela were sold. Therefore, the market determined prices of 2015-16 auction in case of Bilaspur and Rourkela must be factored in while determining the valuation and calculation of reserve price. Accordingly, in the present exercise city-specific Auction Determined Prices (ADPs) of 2015-2016 auctions have been considered as one of the important indicators of market's valuation of spectrum and used as one of the valuation approach of spectrum. Therefore, the Authority is of the view that no further benchmarking of this calculated reserve price with the past auction determined prices is required.

2.46 In line with the above-mentioned approach, **the Authority recommends that the reserve price for FM radio channels in Bilaspur, Rourkela and Rudrapur should be set at 70% of the valuation arrived at.**

2.47 **Accordingly, the Authority recommends the following reserve price for auction of FM radio channels:**

Table 2.10: Reserve Price of FM Radio Channels

(Rs. in crore)

City	Category	Valuation	Reserve price
Bilaspur	C	1.18	**0.83**
Rourkela	C	1.71	**1.20**
Rudrapur	D	1.39	**0.97**

B. Introduction of new city category 'E'

2.48 MIB in its letter dated 19.03.2024 (**Annexure-III**), has provided a list of 18 cities/towns situated in the hilly states of Himachal Pradesh, Uttarakhand, and the Union Territory of Jammu & Kashmir. These cities (listed in Table 2.12) have been identified by MIB as having potential for expansion of FM broadcasting. MIB has conveyed introduction of a new city category, designated as 'E' for these 18 cities. MIB has proposed that all the technical parameters of category 'D', except for ERP may apply to category 'E'. **For category 'E', the minimum ERP and maximum ERP prescribed is 750 W and 1 KW, respectively**.

2.49 As per the FM Phase-III policy guidelines, the cities are divided into 'A+', 'A', 'B', 'C', 'D' and 'Others' categories based on the population of a city. For each city category technical parameters have been specified in the policy guidelines as given in the table 2.12 below. The table also provides the parameters given for category 'E' to be created as per MIB's reference:

Table 2.11: Technical Parameters

<table>
<tr><th rowspan="3">City Category</th><th rowspan="3" colspan="2">Basis (one or more of the following)</th><th colspan="4">Technical Parameters</th></tr>
<tr><th colspan="2">Effective Radiated Power (ERP) (kW)</th><th colspan="2">Antenna Height (EHAAT) (Meters)</th></tr>
<tr><th>Min.</th><th>Max.</th><th>Min.</th><th>Max.</th></tr>
<tr><td rowspan="2">A+</td><td rowspan="2">Metro cities</td><td>Delhi</td><td rowspan="2">25</td><td rowspan="2">50</td><td>75</td><td>200</td></tr>
<tr><td>Mumbai, Kolkata, Chennai</td><td>75</td><td>175</td></tr>
<tr><td>A</td><td colspan="2">Population above 20 lakhs</td><td>10</td><td>30</td><td>75</td><td>150</td></tr>
<tr><td>B</td><td colspan="2">Population above 10 lakhs and up to 20 Lakhs</td><td>5</td><td>15</td><td>50</td><td>100</td></tr>
<tr><td>C</td><td colspan="2">Population above 3 lakhs and up to 10 Lakhs</td><td>3</td><td>10</td><td>30</td><td>75</td></tr>
<tr><td>D</td><td colspan="2">Population above 1 lakh and up to 3 Lakhs</td><td>1</td><td>3</td><td>20</td><td>40</td></tr>
<tr><td>Others</td><td colspan="2">Cities with a population upto 1 lakh in border areas of North-East, Jammu & Kashmir, Ladakh and island territories</td><td>1</td><td>3</td><td>20</td><td>40</td></tr>
<tr><td>E</td><td colspan="2">Select cities with a population up to 1 lakh in hilly states / UTs</td><td>0.75</td><td>1</td><td>20</td><td>40</td></tr>
</table>

2.50 Table 2.13 below provides the population of the 18 new cities identified by MIB as per 2011 census data:

Table 2.12: List of cities under proposed category 'E'

S. No.	State	District	Proposed City/Town	Population (as per 2011 census)
1	Himachal Pradesh	Bilaspur	Bilaspur	13654
2	Himachal Pradesh	Kangra	Dharmsala	30764
3	Himachal Pradesh	Hamirpur	Hamirpur	17604
4	Himachal Pradesh	Mandi	Mandi	26422
5	Himachal Pradesh	Sirmaur	Nahan	28899
6	Himachal Pradesh	Solan	Solan	39256
7	Himachal Pradesh	Una	Una	18722
8	Jammu & Kashmir	Budgam	Badgam	15338
9	Jammu & Kashmir	Bandipore	Bandipore	37081
10	Jammu & Kashmir	Baramulla	Baramula	71434
11	Jammu & Kashmir	Kulgam	Kulgam	23584
12	Jammu & Kashmir	Kupwara	Kupwara	21771
13	Jammu & Kashmir	Pulwama	Pulwama	18440
14	Jammu & Kashmir	Rajouri	Rajouri	29486
15	Jammu & Kashmir	Shopian	Shupiyan	16360
16	Jammu & Kashmir	Udhampur	Udhampur	84015
17	Uttarakhand	Almora	Almora	34122
18	Uttarakhand	Nainital	Nainital	41377

2.51 It can be seen that all the 18 new cities identified by MIB in hilly states/UTs have a population below 1 lakh as per 2011 census.

C. Determination of Reserve Price for Category 'E' Cities

2.52 Ministry of Information and Broadcasting (MIB) has identified 18 cities with terrain conditions similar to the border areas of Jammu & Kashmir and the North Eastern states. In view of the high-altitude terrain related challenges in these hilly states and Union Territories, MIB has proposed the introduction of a new category, namely Category 'E', to address these specific constraints. MIB has requested TRAI to determine the reserve price for FM radio services in these 18 newly identified cities under Category 'E' also.

2.53 Accordingly, the following issue was raised in the Consultation Paper:

Q4. How should the reserve prices for 18 cities identified by MIB in hilly states/UTs be determined: -

- ***a**. Whether it should be kept at Rs. 5 lakh as like cities of 'Others' category?*
- ***b**. Whether any other methodology to be used for determining the reserve price in these cities ?*

  Please support your response with proper justification(s).

Comments of stakeholders on Q4

2.54 Some stakeholders have stated that Reserve Price should be kept at Rs. 5 lakh. However no specific reasons have been furnished by the stakeholder(s) for supporting the same.

2.55 One stakeholder submitted that reserve price should be as low as possible when the service is being introduced for the first time in any city/town, it may be raised when the market develops.

Analysis of issues

2.56 During Phase-III auction, FM radio channels in the 11 cities of 'Others' category were put for auction in 2016 with a reserve price of Rs. 5 Lakh. In all the 11 cities, 3 channels in each city were available for auction. Of these, in one city all the three channels were auctioned successfully and in three cities two channels each and in four cities one channel each were auctioned successfully. All the channels were sold at base price of Rs. 5 Lakh each. In three cites no channels were sold (refer table 2.13 below).

Table 2.13: Details of auction of FM radio channels in cities of 'Others' category

S. No.	Name of City	State / UT	Total Number of channels available	Number of channels successfully bid	Successful bid amount (in Rs.)
1	Leh	Ladakh	3	3	5 lakh
2	Kargil	J & K	3	2	5 lakh
3	Kathua	J & K	3	2	5 lakh
4	Poonch	J & K	3	2	5 lakh
5	Bhaderwah	J & K	3	1	5 lakh
6	Dhubri	Assam	3	1	5 lakh
7	Haflong	Assam	3	1	5 lakh
8	Mokukchung	Nagaland	3	1	5 lakh
9	Jowai	Meghalaya	3	0	-
10	Lunglei	Mizoram	3	0	-
11	Belonia	Tripura	3	0	-

2.57 As mentioned earlier at para 2.49, the Effective Radiated Power (ERP) for category 'E' cities is [750 W-1 kW], whereas for 'Others' category it is [1 kW-3 kW] indicating that the proposed Effective Radiated Power for Category 'E' cities is lower than those for cities of 'Others' category. It implies that the coverage of a radio channel operating in these cities will be lesser than that of the cities in 'Others' category.

2.58 MIB in its letter dated 29.11.2024 (**Annexure-XV**) has furnished details regarding the average values of approximate coverage areas of 'Others' category and category 'E' cities as follows:

Category	Approximate coverage area
‘Others’	2314 Sq Km
‘E’	1734 Sq km

2.59 From the above, it can be inferred that the coverage of FM radio channels operating in ‘Others’ category cities is 1.33 times than those in category ‘E’ cities. Therefore, in the present scenario, the Coverage Ratio [‘E’ / ’Others’] is ~ 0.75 [i.e. 1/1.33].

2.60 Given the relatively lower coverage of Category ‘E’ cities in comparison to cities in the ‘Others’ category, it is expected that the radio listenership in Category ‘E’ cities may also be lower. This, in turn, could result in lower revenue generation potential of FM Radio channels in these cities. Therefore, the relative coverage ratio should be duly considered while determining the reserve price for Category ‘E’ cities, w.r.t. to the auction price of cities in the ‘Others’ category.

2.61 In light of the above, the Reserve Price for category ‘E’ is calculated using the auction price of “Others” category and the coverage ratio, as follows:

Reserve price for category ‘E’ = Coverage Ratio X Auction price of ‘Others’ Category

= 0.75 X Rs. 5 Lakh

= Rs. 3.75 lakh

2.62 **Accordingly, the Authority recommends that the Reserve Price for auction of FM radio channels in Category ‘E’ cities should be Rs. 3.75 lakh.**

D. Other provisions of FM Phase-III policy guidelines

2.63 While MIB's letter mentions only technical parameters of the new city category 'E', it is to be noted that the FM Phase-III policy guidelines stipulate few other provisions, which differ for each category A+, A, B, C, D and Others. For a new category 'E' to be created, following corresponding parameters also need to be defined for this city category:

a) Financial competence
b) Annual fee
c) Number of frequencies in each city

Accordingly, following question was raised in the Consultation Paper:

"Q5. Besides the Technical parameters i.e. Effective Radiated Power (ERP) and Antenna Height (EHAAT)] as proposed by MIB for category 'E', should the provisions related to the 'Financial Competence', 'Number of Frequencies' and 'Annual Fee' applicable to the 'Others' category under Phase-III policy guidelines be made applicable to category 'E'? If not, what provisions should be prescribed for these parameters?
Please support your response with proper justification(s)."

The parameters for the new category 'E' viz., financial competence, annual fee and number of frequencies in each city along with summary of comments of stakeholders, analysis of issues and views of the Authority and its recommendations have been discussed in subsequent paragraphs.

a) Financial Competence

2.64 Clause 2.3 of the FM Phase-III policy guidelines provided the following provisions regarding assessment of financial competency of an eligible company:

"2.3 Financial Competence:

2.3.1 The financial eligibility of each applicant company shall be assessed on the basis of the following criteria:

***Minimum Net Worth required as per City Category in each region**:*

D category Cities and cities with population upto 1 lakh:	*Rs. 50 Lakhs.*
C category Cities:	*Rs. 1 Crore.*
B category Cities:	*Rs. 2 Crore.*
A category Cities:	*Rs. 3 Crore.*
A+ category Cities:	*Rs. 3 Crore.*
All categories of Cities in all regions:	*Rs. 10 Crore.*

Illustration: For two or more C category cities in the same region, Net Worth of Rs. 1 crore is required. If the two C category cities are in two different regions, Net Worth of Rs. 2 crore is required."

Comments of Stakeholders on Q5 (Financial Competence)

2.65 In the consultation paper, stakeholders were requested to provide their comments on the financial competence of an applicant company for participating in auction for FM Radio channels in category 'E' cities.

2.66 In response, some stakeholders suggested that while deciding the financial competence for category 'E' cities, it should be considered that the cost of establishing a radio channel is approximately Rs. 25 Lakh. They were of the opinion that the financial competence should be kept lower or similar to 'Others' category cities as the terrain is similar. These stakeholders further mentioned that the financial competence should not create entry barriers for the local entrepreneurs.

Analysis of issues

2.67 The Authority has noted that the cities in category 'E' often have relatively smaller populations and lower economic activity, making it difficult for potential broadcasters to meet higher financial thresholds. From the details of auction of FM radio channels in 11 cities of 'Others' category held in 2016 as given in Table 2.13 above, the Authority has also noted that except one channel in the city of Leh, all the channels were taken by smaller companies, indicating that local and small entrepreneurs need to be encouraged to participate in the auction in these cities.

2.68 Given the low population and limited coverage in Category 'E' cities, the Authority is of the view that the financial competence criteria, specifically the minimum net worth requirement for category 'E' cities should be lower than that of 'Others' category cities having similar terrain.

2.69 Lowering the net worth criteria to Rs. 30 lakh would better align with the financial realities of operating in these regions, encouraging more local entrepreneurs to enter the market and serve these underserved areas without being burdened by stringent financial requirements.

2.70 Further, TRAI in its recommendations on 'Framework for Service Authorisations for provision of Broadcasting Services under the Telecommunications Act, 2023' issued on 21st February 2025 recommended for delinking of service authorisation from frequency assignment for 'Terrestrial Radio Service' (which covers FM radio and digital radio broadcasting). The Authority *inter alia* recommended the following:

> *"The authorisation for Terrestrial Radio Service should be delinked from frequency assignment.*

An entity shall have an option of either obtaining the service authorisation prior to participating in the process of frequency assignment or apply for the service authorisation within stipulated timeframe after being a successful bidder.

The terms and conditions of frequency assignment shall be laid down by the Central Government in the form of Notice Inviting Application/Information Memorandum or any other guidelines/instructions from time to time.

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, <u>city wise minimum net worth requirement</u>, 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)."

2.71 In the recommendations on 'Framework for Service Authorisations for provision of Broadcasting Services under the Telecommunications Act, 2023' dated 21st February 2025 the Authority mentioned the following in respect of minimum net worth requirement for obtaining service authorisation for 'Terrestrial Radio Service:

"the Authority is of the view that minimum net worth requirement to obtain the 'Grant of Service Authorisation for Terrestrial Radio Service' should be set at Rs. 30 lakh, which is even lesser than the net worth required to participate in e-auction of category 'D and cities with population upto 1 lakh'. The minimum net worth requirement for grant of service

authorisation has been prescribed to reduce the entry barriers."

2.72 Accordingly, the Authority recommended that minimum net worth requirement for grant of service authorisation for 'Terrestrial Radio Service' should be Rs. 30 lakh.

2.73 The following can be noted in respect of minimum net worth requirement for 'Terrestrial Radio Service' from the recommendations on 'Framework for Service Authorisations for provision of Broadcasting Services under the Telecommunications Act, 2023' dated 21st February 2025:

i. Minimum net worth requirement for grant of service authorisation for 'Terrestrial Radio Service' should be Rs. 30 lakh.

ii. City wise minimum net worth requirement for frequency assignment shall be laid down by the Central Government in the form of Notice Inviting Application/Information Memorandum or any other guidelines/instructions from time to time.

2.74 **The Authority recommends that:**

a. 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.

b. 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).

b) Annual Fee

2.75 Clause 6 of the Phase-III policy guidelines have following provisions regarding annual license fee to be paid by FM radio permission holders:

*"**6. Annual Fee:***

6.1 (a) Subject to the provisions contained in sub-para (b), the Permission Holder shall be liable to pay an Annual Fee to the Government of India every year charged @ 4% of Gross Revenue of its FM radio channel for the financial year or @ 2.5% of NOTEF for the concerned city, whichever is higher.

(b) The permission holders in the States of North East (i.e. Arunachal Pradesh, Assam, Meghalaya, Manipur, Mizoram, Nagaland, Sikkim and Tripura,) and Jammu & Kashmir (J&K) and island territories (i.e Andaman and Nicobar islands and Lakshadweep) will be required to pay an Annual Fee to the Government of India charged @ 2% of Gross Revenue for each year or 1.25% of NOTEF for the concerned city, whichever is higher, for an initial period of three years from the date from which the annual license fee becomes payable and the permission period of 15 years begins. The revised fee structure will also be applicable to existing operators in these States/UTs to enable them to effectively compete with the new operators. The three year period for the existing operators shall be reckoned from the first day of the commencement of the next quarter (refer para 6.3) subsequent to the date of issuance of these guidelines.

6.2 Gross Revenue for this purpose would be the gross inflow of cash, receivables or other consideration arising in the course of ordinary activities of the FM Radio Broadcasting enterprise from rendering of services and from the use by others of the enterprise resources yielding rent, interest, dividend, royalties, commissions etc. Gross Revenue shall, therefore, be calculated, without deduction of taxes and agency commission, on the basis of billing rates, net of discounts to advertisers. Barter advertising contracts shall also be included in the gross revenues on the basis of relevant billing rates. In the case of a permission holder providing or receiving goods and services from other companies that are owned or controlled by the owners of the permission holder, all such transactions shall be valued at normal commercial rates and included in the profit and loss account of the permission holder to calculate its gross revenue.

..........”

2.76 According to Phase-III policy, a permission holder is liable to pay an annual license fee @ 4% of Gross Revenue of its FM radio channel for the financial year or @ 2.5% of NOTEF for the concerned city, whichever is higher.

2.77 However, the permission holders in the States of North East (i.e. Arunachal Pradesh, Assam, Meghalaya, Manipur, Mizoram, Nagaland, Sikkim and Tripura,) and Jammu & Kashmir (J&K) and island territories (i.e. Andaman and Nicobar Islands and Lakshadweep) are required to pay an Annual Fee @ 2% of Gross Revenue for each year or 1.25% of NOTEF for the concerned city, whichever is higher, for an initial period of three years. This special provision is designed to account for the unique terrain and socio-economic conditions in these states and UTs.

2.78 TRAI in its Recommendations on Issues related to FM Radio Broadcasting dated 5th September 2023 noted that linking of license fee to Non-Refundable One Time Entry Fee (NOTEF) has resulted in significantly higher license fee in some cities and accordingly recommended the following:

" the annual license fee of a FM radio channel should be de-linked from Non-Refundable One Time Entry Fee (NOTEF). The license fee should be calculated as 4% of the Gross Revenue (GR) of the FM radio channel during the respective financial year. GST should be excluded from Gross Revenue (GR)."

2.79 The recommendations dated 05.09.2023 have been accepted by MIB for the 234 new cities where the auctions for allotting 730 channels were conducted on 9th and 10th July 2025.

Comments of Stakeholders on Q5 (Annual Fee)

2.80 In the consultation paper, stakeholders were requested to provide their comments on the annual fee to be applicable to the category 'E' cities.

2.81 In response, stakeholders suggested the following:

- Annual fee for category 'E' cities should be same as that for 'Others' category.
- Annual Fee should be delinked from NOTEF and should be levied only as % of Gross Revenue.
- The fees and other non-technical policy guidelines should be such that it does not create entry barriers especially in the hilly states/UTs. Lowering of fees or exemption in fees should be one of the guidelines.
- Annual Fee should be kept at 2% of GR and extended to initial 5 years instead of initial 3 years.

Analysis of issues

2.82 The Authority has noted the comments of stakeholders, wherein it has been submitted that the annual fee for category 'E' cities should be same as that for cities of 'Others' category and should include the concessions given to permission holders in the States of North East (i.e. Arunachal Pradesh, Assam, Meghalaya, Manipur, Mizoram, Nagaland, Sikkim and Tripura,) and Jammu & Kashmir (J&K) and island territories (i.e. Andaman and Nicobar islands and Lakshadweep) in view of the similar terrain.

2.83 As discussed above, the Authority has already recommended in its recommendations on 'Issues related to FM Radio Broadcasting' issued on 5th September 2023 for delinking of annual license fee of a FM radio channel from NOTEF. It was further recommended that GST should be excluded from GR, while arriving at the calculation of the annual license fee.

2.84 Accepting the above recommendation, MIB on 10th September 2024 amended the Phase-III policy guidelines, wherein the annual fee has been delinked from the NOTEF. In the uncovered 234 new cities under Batch-III FM Phase-III auction, the permission holders need to pay an Annual Fee of 4% of GR (excluding GST). Permission holders in uncovered new cities in Northeast states, Jammu & Kashmir and island territories shall pay an Annual Fee of 2% of GR (excluding GST) for 3 years. However, these amendments have not been made applicable to the existing operational FM channels.

2.85 Further, after the enactment of the Telecommunications Act, 2023, the permission shall be replaced by the authorisation and accordingly, the Annual Fee shall be termed as the Authorisation Fee for radio services. The Authority, in its recommendations on authorisation framework for broadcasting services dated 21st

February 2025 mentioned the following for the authorised entities of 'Terrestrial Radio Service':

"Now, since streaming of the radio channel has also been recommended to be added in the scope of Terrestrial Radio Service, accordingly the revenue generated from streaming shall also be included, while computing the Gross Revenue (GR). Accordingly, the quantum of annual Authorisation Fee shall be 4% of AGR for all the cities except Northeast states, Jammu & Kashmir and island territories, wherein annual Authorisation Fee shall be 2% of AGR for initial three years. The format of Statement of Revenue and Authorisation Fee for the authorised entity of Terrestrial Radio Services is prescribed in ***Schedule-II of Annexure-III****. The submission of the Statement of Revenue and Authorisation Fee to the Central Government shall be made end-to-end online with facility to upload all the related documents in digital mode via single window system."*

2.86 **Accordingly, the Authority recommends that:**

a. **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.**

b. **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.**

c) Number of Frequencies in each city

2.87 Clause 17 of the FM Phase-III policy guidelines stipulate the number of channels available for allocation to private broadcasters in different categories of cities as below:

"17. Number of Frequencies:

17.1 Subject to availability of frequencies the total number of channels for allocation to private broadcasters would be kept as follows for Phase III:-

	City category	***No. of Channels***
(i)	*Category A+ cities*	*9 to 11 Channels*
(ii)	*Category A cities*	*6 Channels*
(iii)	*Category B cities*	*4 Channels*
(iv)	*Category C cities*	*4 Channels*
(v)	*Category D cities and cities with population less than one lakh*	*3 Channels*

........"

Comments of Stakeholders on Q5 (Number of Frequencies in each city)

2.88 Stakeholders were requested to provide their comments on the maximum number of channels in category 'E' cities.

2.89 In response, stakeholders suggested that looking at similar terrain and socio-economic conditions, the maximum number of channels in category 'E' cities should be kept same as that of cities of 'Others' category.

Analysis of issue

2.90 In this regard, the Authority has noted that as per FM Phase III policy guidelines 3 channels are permitted in a city of category

‘D’ and ‘Others’. Further, MIB in its reference has also mentioned that all the technical parameters for category ‘D’ cities, prescribed in the existing FM Phase-III guidelines, except for Effective Radiated Power (ERP) will be applicable to category ‘E’ cities. Considering the comments of stakeholders and the fact that the population of category ‘E’ cities is below 1 lakh and the terrain is similar to the cities of ‘Others’ category, the Authority is of the view that the maximum number of channels in category ‘E’ cities for allocation to private broadcasters should be kept same as that for category ‘D’ cities and cities with population less than one lakh i.e. 3 (three). For all other categories of cities (A+, A, B, C, D, Others) including the cities of Bilaspur, Rourkela and Rudrapur, maximum number of channels shall continue to be as prescribed in the existing FM Phase-III policy guidelines.

2.91 **The Authority recommends that the maximum number of channels in a 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.**

<u>Other issues:</u>

2.92 In the CP, stakeholders were also asked to provide any other comments/ suggestions on any other issue that may be relevant to the present consultation. Accordingly following question was raised in the Consultation Paper:

“*Q6. Stakeholders may also provide their comments/ suggestions on any other issue that may be relevant to the present consultation.*”

Comments of Stakeholders on Q6

2.93 Some stakeholders provided their suggestions/comments on other issues related to FM Radio broadcasting. In its earlier consultations and interactions with the industry, major issues brought out by private FM radio broadcasters for poor financial performance of the industry included sharing of infrastructure related issues, allowing FM broadcasters to do news and current affairs programmes, competition from music streaming, high license fee outflows due to linkage of license fee with NOTEF, high payouts to Prasar Bharati for LTI and CTI, and etc.

Analysis of issues

2.94 The Authority felt that some of suggestions/comments related to policy guidelines of FM Radio so received are relevant and are discussed below:

a) Voluntary sharing of infrastructure

2.95 Few stakeholders opined that the requirement to use Prasar Bharati's infrastructure by successful bidders, wherever available is unfair. Prasar Bharati's infrastructure costs are higher compared to that available in the open market. Forcing successful bidder to use more expensive government infrastructure, increases both Capex and Opex costs unnecessarily. Mandating the use of Prasar Bharati's facilities forces permission holders to contribute to the revenue of a government entity, which is not their responsibility.

2.96 Earlier, during the consultation process on the Framework for Service Authorisations for provision of Broadcasting Services under the Telecommunications Act, 2023, the Authority made a note of similar comments, wherein stakeholders submitted that co-location with Government infrastructure should not be made mandatory, as it gives rights to Prasar Bharati and other Government agencies to overcharge for infrastructure. After analysis, the Authority was of the view that it should not be mandatory to use Prasar Bharati infrastructure or CTI. Rather, the entities should be allowed to share infrastructure voluntarily with other entities including those of the telecommunication sector.

2.97 The Authority in its recommendations on Framework for Service Authorisations for provision of Broadcasting Services under the Telecommunications Act, 2023 dated 21.02.2025, noted that mandatory co-location for terrestrial radio service should be removed. The authorised entities should be allowed to share infrastructure, on voluntary basis, with the entities of telecom and broadcasting services, infrastructure providers and any other service providers as per technical and commercial feasibility. Accordingly, the terms and conditions on mandatory co-location needs to be removed. Whereas terms and conditions enabling infrastructure sharing on voluntary basis may be provisioned.

2.98 In view of the above, the Authority in its 'Recommendations on Framework for Service Authorisations for provision of Broadcasting Services under the Telecommunications Act, 2023' dated 21st February 2025, recommended the following:

"…mandatory colocation of transmission infrastructure should be removed, and the authorised entities of 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."

2.99 The issue of mandatory colocation has already been dealt in Recommendations on Framework for Service Authorisations for provision of Broadcasting Services under the Telecommunications Act, 2023' dated 21st February 2025. Similar concerns have been raised by stakeholders in response to the present consultation paper. Hence, the Authority reiterates its recommendations already given on the issue of mandatory colocation of infrastructure.

2.100 **The Authority recommends that 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.**

b) News and current affairs program

2.101 Few stakeholders mentioned that private FM radio broadcasters should be permitted to broadcast independent news and current affair programs.

2.102 In this regard, in its recommendations on 'Issues related to FM Radio Broadcasting' dated 5th September 2023, the Authority acknowledged that the inherent potential of FM radio to serve as a powerful medium for communication, especially when it comes to broadcasting content in local languages. This unique characteristic of FM radio enables it to establish a strong connection with diverse communities, including those who are economically marginalized and disadvantaged.

2.103 The Authority also recognized the significance of granting access to diverse news and views through current affairs programming for the general public. It firmly believes that individuals have a right to be informed and updated about the events and developments taking place within their surroundings and beyond.

2.104 The Authority was of the view that private FM broadcasters should be allowed to broadcast news and current affairs bulletins independent of All India Radio. Allowing private FM stations to include news and current affairs is expected to foster a more pluralistic media landscape.

2.105 Accordingly, the Authority recommended the following:

i. *Private FM Radio Operators should be allowed to broadcast news and current affairs programs, limited to 10 minutes in each clock hour.*

ii. *The program code of conduct as applicable to All India Radio for news content may also be applied to Private FM Radio channels.*

2.106 Also, during the consultation process on '*Framework for Service Authorisations for provision of Broadcasting Services under the Telecommunications Act, 2023*', stakeholders suggested that private FM Radio Operators should be allowed to broadcast news and current affairs programs

2.107 The Authority in its '*Recommendations on Framework for Service Authorisations for provision of Broadcasting Services under the Telecommunications Act, 2023*' dated 21st February 2025, once again reiterated the above recommendations.

2.108 Similar concerns have been raised by stakeholders in response to the present consultation paper. In order to encourage local entrepreneurs in hilly areas, the Authority reiterates its earlier recommendations that private radio broadcasters should be allowed to broadcast independent news and current affairs programs.

2.109 **Accordingly, the Authority recommends that:**

i. **Private FM Radio Operators should be allowed to broadcast news and current affairs programs, limited to 10 minutes in each clock hour.**

ii. **The Authorised Entity shall follow the programme code for news content as prescribed by the Central Government from time to time.**

c) Streaming of live radio channels over internet

2.110 The Authority in its '*Recommendations on Framework for Service Authorisations for provision of Broadcasting Services under the Telecommunications Act, 2023*' dated 21st February 2025, recommended the following:

"the scope of 'Terrestrial Radio Services' should be to set up, commission and manage a radio station for broadcasting programmes of a radio channel and streaming the same concurrently without user control (i.e., Features like download, playback, replay etc. should not be available to the user while streaming).
the revenue generated from streaming shall also be included, while computing the Gross Revenue (GR)."

2.111 While making the above recommendations, the Authority noted the following:

"2.158 Based on the inputs from stakeholders, the Authority is of the view that owing to delinking of obtaining authorisation and assignment of spectrum, streaming may be permitted for terrestrial radio service. The radio broadcasting sector

has experienced a significant decline in revenues in recent years. Hence permitting the radio broadcasters to stream the same content (as broadcasted on the radio channel) will open a new revenue stream for them, thereby providing a chance for revival and sustenance of the radio industry in the long run. Streaming can also provide radio services in 'radio dark' areas. This includes remote regions yet to be covered by radio broadcasting, as well as areas with intermittent coverage like on highways. However, the service providers opting to stream their radio broadcast services shall be subject to all applicable laws including Copyright Act, 1957. Any mandate regarding commercial agreements between content creators and broadcasters over different mediums is beyond the scope of authorisation framework being dealt in these recommendations.

2.159 Moreover, radio offers a rich repository of local content. Allowing the authorised entity to stream the same radio program as is being broadcast, shall promote dissemination of local content to a broader and diverse audience extending beyond the city, thereby enhancing the reach of local content globally. The inclusion of streaming of radio channel shall establish an intangible connection of the Indian populace located geographically across the globe with their native place, which has been inaccessible to them till date owing to the territorial restriction of radio broadcasting."

2.112 Streaming of radio channels in hilly areas may enable enhanced reach and hence more revenue. This will encourage higher participation in auction for radio channels in hilly areas. Accordingly, the Authority reiterates its recommendation regarding permitting streaming of radio channels concurrently. As streaming of radio channels concurrently may enable additional source of revenue for Radio broadcasters, the revenue generated from streaming should also be included for the purpose of computing the Gross Revenue. However, spectrum allocated to Radio broadcasters for terrestrial Radio broadcasting will not be used for streaming of radio channels and therefore, additional revenue from streaming of radio channels is not linked with use of spectrum. Therefore, the Authority is of the view that in future, the revenue generated from streaming of radio channels should not be counted while determining the valuation of spectrum for terrestrial Radio broadcasting services.

2.113 **The Authority recommends that 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).**

d) Delinking of annual license fee of a FM radio channel from NOTEF

2.114 MIB vide its letter dated 11th May 2022, sought recommendations of TRAI on the issue of removal of linkage to Non-Refundable One Time Entry Fee (NOTEF) in the formula for annual fee as prescribed in the FM Ph-III Policy Guidelines dated 25.07.2011.

2.115 As per the provisions for Annual License Fee (ALF) provided in the FM Phase-III Policy Guidelines dated 25th July 2011, permission holders are required to pay ALF to the Government @ 4% of Gross Revenue of its FM radio channel for the financial year or @ 2.5% of Non-refundable One Time Entry Fee (NOTEF) for the concerned city, whichever is higher.

2.116 The Authority had noted that when Phase III auctions were announced, in certain cities, where some private Radio channels were operational, there were only one or two channels available for operators. In such cities, the auction in Phase III (Batch 1) resulted in very high bid prices. These high bid prices became the new NOTEF for these cities. All the operators, including the pre-existing FM Radio operators, who did not participate in the said auction, were then required to pay an annual license fee as per the new NOTEF. The Authority had analyzed details of annual license fee paid by the FM Radio broadcasters from FY 2017-18 to FY 2021- 22 in top 15 cities in terms of total revenue of a city during 2021-22 and opined that such stipulation goes against the business certainty aspect for any business. In such a scenario, some new operator can play spoilsport with the viability of all existing stakeholders. The pre-existing FM Radio operators have been subjected to such a scenario in quite a few cities due to the clause linking the license fee payable to 2.5 % the NOTEF discovered in later spectrum auctions.

2.117 The Authority had recognized that the existing formula for determining the annual license fee, with its reliance on NOTEF, impinges on the business model for FM operators. The current license fee model alters the license fee for already existing FM radio operators in a city, whenever new auctions are held for that city. By tying the license fee to NOTEF, operators who did not participate in bidding processes face an unfair burden. This not only undermines fairness but also hinders the growth and sustainability of the FM Radio broadcasting.

2.118 Accordingly, after due consultation process, TRAI in its Recommendations on "Issues related to FM Radio Broadcasting" dated 5th September 2023 had recommended that:

…the annual license fee of a FM radio channel should be de-linked from Non-Refundable One Time Entry Fee (NOTEF). The license fee should be calculated as 4% of the Gross Revenue (GR) of the FM radio channel during the respective financial year. GST should be excluded from Gross Revenue (GR).

2.119 MIB has accepted the recommendation related to delinking of annual license fee from Non-Refundable One Time Entry Fee (NOTEF) and exclusion of GST from Gross Revenue (GR) for the 734 new FM Radio channels put to auction in batch 3 of FM Phase III. However, these changes have not been made applicable to existing radio channels. In this case there is no respite in existing operations and apparently it may have been difficult for the industry reeling under financial stress to make commitments for new channels despite relaxing these conditions for new channels. These factors could have played a part in less uptake of channels in the auctions held in July 2025. Hence there is an imminent need for bringing in financial reforms in FM Radio broadcasting to boost confidence and investment in new stations.

2.120 The Authority, in its recommendations on authorisation framework for broadcasting services dated 21st February 2025 mentioned the following for the authorised entities of 'Terrestrial Radio Service':

"Now, since streaming of the radio channel has also been recommended to be added in the scope of Terrestrial Radio Service, accordingly the revenue generated from streaming shall also be included, while computing the Gross Revenue (GR). Accordingly, the quantum of annual Authorisation Fee

shall be 4% of AGR for all the cities except Northeast states, Jammu & Kashmir and island territories, wherein annual Authorisation Fee shall be 2% of AGR for initial three years…"

2.121 **Therefore, the Authority recommends that the annual license fee of a FM radio channel should be de-linked 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. AGR should be calculated after deducting GST from GR.**

e) Sharing of Land and tower infrastructure and Common transmission infrastructure on concessional rent

2.122 With reference to industry concerns regarding the high rental charges levied by Prasar Bharati for access to land and tower infrastructure (LTI) and common transmission infrastructure (CTI), a stakeholder has cited an example of a D-class city, wherein three broadcasters share infrastructure. In this case, the stakeholder cited that the rental payments to Prasar Bharati are substantially high, such that the cost of establishing independent infrastructure could be recovered within 2 to 2.5 years. The stakeholder has therefore proposed that broadcasters be permitted to set up their own infrastructure, which would enable them to avail depreciation benefits and retain the residual (scrap) value of the assets. In this regard, the Authority has already recommended for sharing of infrastructure on voluntary basis with the entities of broadcasting services, telecom services, infrastructure providers etc. as per technical and commercial feasibility.

2.123 Furthermore, in instances where Prasar Bharati's infrastructure is to be shared, the Authority is of the considered view that rental charges should be rationalized to support both incumbent and new entrants in the sector. Accordingly, the government may consider giving LTI and CTI infrastructure of Prasar Bharti at concessional rent while taking full recovery of operational expenses. Such an approach would significantly reduce the financial burden on FM broadcasters and promote a more equitable and sustainable framework for infrastructure access.

2.124 A Credit Guarantee fund Trust for Micro and Small Enterprises (CGTMSE) has been jointly setup by the Government of India (GoI) and Small Industries Development Bank of India (SIDBI) which makes available bank credit under the Credit Guarantee Scheme to support the Micro, Small & Medium Enterprises (MSMEs) & startups by providing collateral-free loans and fostering access to finance from lenders. Further, the Radio & Television services, as well as Radio & Television Transmission services are enlisted in the activities classified as service activities under the category of Audiovisual services, which can be acknowledged as service enterprises under 'The Micro, Small & Medium Enterprises Development (MSMED) Act, 2006'. Hence, the Government may create awareness and promote the prospective bidders falling in MSME category to avail these benefits for establishing and operating FM radio stations.

2.125 In order to support the FM radio broadcasting in India, **the Authority recommends that, 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.

f) Options for payment of successful bid amount

2.126 The Authority has noted that in the e-auction of the second batch of private FM radio Phase-III channels held in 2016, 266 channels in 92 cities were put to bid. However, only 43 channels in 28 cities were successfully bid. Similarly, in the e-auction of the third batch of private FM radio Phase-III channels held in July 2025, 730 channels in 234 cities were put to bid. However, only 63 channels in 43 cities were successfully bid. This indicates lower participation in auctions.

2.127 As per provisions of FM phase III policy, successful bidders are required to pay entire successful bid amount within 15 calendar days of the close of the Auction and notification of successful bidders by the Government. The relevant extracts of the policy guidelines are reproduced below:

> ***"4.7 Payment Methodology:***
>
> *(i) Successful Bidders shall deposit 25% of the Successful Bid Amount as Bid Deposit within 5 calendar days of the close of the Auction, failing which the Earnest Money Deposit shall stand forfeited.*
>
> *(ii) Successful Bidders shall deposit the balance amount (Successful Bid Amount less Bid Deposit) within 15 calendar days of the close of the Auction, failing which its Earnest Money Deposit and its Bid Deposit shall stand forfeited."*

2.128 Similar provisions have been prescribed in the Notice Inviting Applications (NIA) dated 14th October 2024 issued by MIB.

2.129 In this regard, the Authority has noted that in the NIA[17] for auction of Spectrum in 800 MHz, 900 MHz, 1800 MHz, 2100 MHz, 2300 MHz, 2500 MHz, 3300 MHz, and 26 GHz Bands issued by Department of Telecommunications (DoT) on 8th March 2024, the successful bidders were given multiple options for payment of the bid amount for which the procedure was prescribed under payment terms. The relevant extracts of the NIA dated 8th March 2024, are reproduced below:

"6.1 Payment Terms

6.1.1 Payment Options and procedure

Successful Bidders shall make the payment (in Indian Rupees) in accordance with any of the following two options:

Option 1: *Full or part upfront payment of the bid amount within 10 calendar days from the issuance of Demand Note by DoT. Where part upfront payment has been made, which can be a multiple of complete years with a minimum of two years, the buyer shall have the option of availing moratorium for the corresponding number of years for which the upfront payment has been made, and the balance amount shall be payable in equal annual instalments over the remaining period, payable in advance at the beginning of each year, after the period of moratorium if any, duly protecting the Net Present Value (NPV) of the bid amount at the applicable rate of interest. The annual instalments shall become due and payable on the Effective Date anniversary of each following year.*

Option 2: *Payment of 20 equal annual instalments of the bid amount, duly protecting the NPV of the bid amount at the applicable rate of interest, in advance at the beginning of the year, the first instalment becoming payable within 10 calendar*

[17]https://dot.gov.in/sites/default/files/Notice%20Inviting%20Applications%202023-24.pdf

days from the issuance of Demand Note by DoT. The balance 19 instalments shall become due and payable on the Effective Date anniversary of each following year.. ....

The applicable interest rate for protecting the NPV of the bid amount is 8.65%."

2.130 The Authority has further noted that the revenue of FM radio operators is growing marginally and is almost stagnant, and they are also facing competition from online music streaming apps. More so FM Radio is already facing a sluggish growth in overall revenue of FM channels as shown in Table 2.2, which is attributable to increased competition from streaming services and other alternate mediums of content dissemination and consumption. The increased competition from streaming services is highlighted in an industry report[18], which mentioned that the total music revenue grew to 6866 Crore in 2023 as compared to 2416 Crore in 2019 and is expected to reach 10899 Crore by 2028 at a CAGR of 10.3%. Streaming platforms have been identified to be a major driver for this growth, with India's music streaming consumption ranking second in the world over 1 lakh crore streams in 2023. Whereas, advertising revenue of FM radio operators was 1547 crores in FY 2022-23 as compared Rs 2382 in FY 2018-19.

2.131 In this scenario, it is felt that the upfront payment of successful bid amount may act as an entry barrier for participation in auction of FM Radio channels and there is a need to find ways to make auction lucrative to all the stakeholders, particularly small entities.

[18] https://www.pwc.in/india-entertainment-media-outlook-2024-28.html - accessed on 22nd September 2025

2.132 Accordingly, the Authority is of the view that successful bidders in FM Radio auction should be offered multiple options for payment of bid amount as done by Department of Telecommunications and summarised in para 2.129 above**.** The offer of multiple payment options option may be a win-win situation both for the government and the FM bidders, as it enables larger participation in auctions, while also eases financial burden on FM Radio operators. This may result in higher proliferation of FM Radio services and also serve the public interest.

2.133 **Accordingly, the Authority recommends that the successful bidders should be given multiple options for payment of bid amount similar to the spectrum auction done by Department of Telecommunications.**

2.134 As mentioned earlier, **the Authority has already given its 'Recommendations on Framework for Service Authorisations for provision of Broadcasting Services under the Telecommunications Act, 2023' dated 21st February 2025, which included recommendations related to authorisation for terrestrial radio services. In case, the said recommendations dated 21st February 2025 are accepted by the Government prior to considering these recommendations, the accepted provisions may be applied accordingly.**

Chapter 3
Summary of Recommendations

1. The Authority recommends the following reserve price for auction of FM radio channels:

City	Category	Reserve price (Rs. in crore)
Bilaspur	C	0.83
Rourkela	C	1.20
Rudrapur	D	0.97

2. The Authority recommends that the Reserve Price for auction of FM radio channels in Category 'E' cities should be Rs. 3.75 lakh.

3. The Authority recommends that:

a. 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.

b. 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).

4. The Authority recommends that:

a. 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.

b. 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.

5. The Authority recommends that the maximum number of channels in a 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.

6. The Authority recommends that 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.

7. The Authority recommends that:

i. Private FM Radio Operators should be allowed to broadcast news and current affairs programs, limited to 10 minutes in each clock hour.

ii. The Authorised Entity shall follow the programme code for news content as prescribed by the Central Government from time to time.

8. The Authority recommends that 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).

9. The Authority recommends that the annual license fee of a FM radio channel should be de-linked 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. AGR should be calculated after deducting GST from GR.

10. The Authority recommends that, 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.

11. The Authority recommends that the successful bidders should be given multiple options for payment of bid amount similar to the spectrum auction done by Department of Telecommunications.

List of Acronyms

Abbreviation	Description
AM	Amplitude Modulation
AIR	All India Radio
CP	Consultation Paper
CTI	Common Transmission Infrastructure
EGoM	Empowered Group of Ministers
FM	Frequency Modulation
GR	Gross Revenue
GSDP	Gross State Domestic Product
IRS	Indian Readership Survey
J&K	Jammu and Kashmir
MIB	Ministry of Information and Broadcasting
MII	Market Intensity Index
MRUC	Media Research Users Council
NE	North East
RAM	Radio Audience Measurement
RP	Reserve Price
TRAI	Telecom Regulatory Authority of India
UT	Union Territory

Annexure I

MIB reference dated 21.12.2023

1197/122

R-11/3/(4)/2021-B AND CS(1 AND 3)

11901S/2023/SECY-TRAI संजीव शंकर, (भा.रा.से.)
संयुक्त सचिव (प्रसारण)
SANJIV SHANKAR, IRS
Joint Secretary (Broadcasting)

सत्यमेव जयते

भारत सरकार
सूचना एवं प्रसारण मंत्रालय
शास्त्री भवन, नई दिल्ली - 110001
GOVERNMENT OF INDIA
MINISTRY OF
INFORMATION & BROADCASTING
SHASTRI BHAWAN, NEW DELHI - 110001

D.O. No. 38014/35/2016-FM/873

Dated: 21st December, 2023

Dear Shri Raghunandan,

Please refer to MIB letter of even number dated 27.09.2023 seeking TRAI recommendations on Reserve Prices for the vacant channels in the two cities of Bilaspur (Chhattisgarh) and Rourkela (Odisha). TRAI requested MIB for a fresh reference in this regard, under Section 11(1) (a) of the TRAI Act.

2. As you are aware, in the extant Private FM Radio Policy Guidelines 2011, 11 cities with a population upto 1 lakh in border areas of North-East, Jammu & Kashmir, Ladakh and island territories have been included under ''Others'' category and given special dispensation by way of reduced annual fee for initial period of three years in these regions.

3. Further, Indian states of Himachal Pradesh, Uttarakhand, Sikkim, Arunachal Pradesh and UT's of Jammu & Kashmir, Ladakh are areas characterized by high altitude terrain and thick vegetation. In the recent past, Government has taken several major initiatives to develop infrastructure in these regions and address issue of equitable progress. With regard to penetration of private FM radio broadcast, much more needs to be done for reaching out to above remote regions, which will also help in harnessing their participation in Nation's growth and development. The Ministry is of the view that to ensure and accelerate socio economic development, there is a need to identify and include some more uncovered cities in the above states/UTs for opening up private FM stations. Being in the focus of various policies of the government, these areas are likely to offer improved viability environment for private FM radio broadcasting sector.

4. In view of above, TRAI is requested to give fresh recommendations along with reserve prices for further expansion of private FM radio services in Hilly States/UTs and also furnish reserve price for auction of FM Radio channels in two cities of Bilaspur and Rourkela, in accordance with the provisions of section 11(1)(a) of the TRAI Act, 1997.

5. This reference to TRAI is being made with the approval of HMIB.

Best Regards,

Yours sincerely,

(Sanjiv Shankar)

Shri V. Raghunandan
Secretary,
Telecom Regulatory Authority of India,
Mahanagar Doorsanchar Bhawan,
Jawaharlal Nehru Marg (Old Minto Road),
New Delhi 110 002.

सूचना का अधिकार

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Annexure II

TRAI letter dated 29.01.2024

File No. R-11/3/(4)/2021-B AND CS(1 AND 3) (Computer No. 4872)
123273/2024/B&CS(I&III)

भारतीय दूरसंचार विनियामक प्राधिकरण
TELECOM REGULATORY AUTHORITY OF INDIA
भारत सरकार / Government of India

File No. R-11/3/(4)/2021-B &CS **Dated: 29th January, 2024**

To,

The Secretary,
Ministry of Information and Broadcasting (MIB),
'A' wing, Shastri Bhawan,
New Delhi-110001

Subject: **Reserve Price for auction of FM Radio channels - reg**

Kindly refer to Ministry's reference No. 38014/35/2016-FM/873 dated 21st December 2023 wherein TRAI has been requested to give fresh recommendations along with reserve prices for further expansion of private FM radio services in the States of Himachal Pradesh, Uttarakhand, Sikkim, Arunachal Pradesh and UT's of Jammu & Kashmir, Ladakh.

2. In this regard, it may be noted that while seeking TRAI's Recommendations on Reserve Prices for auction of FM Radio channels, MIB vide its earlier letters dated 16.12.2014 and 22.08.2019 had provided a list of cities for which recommendations on reserve price were sought.

3. MIB with its letter dated 21.12.2023 has not provided any list of cities in the States of Himachal Pradesh, Uttarakhand, Sikkim, Arunachal Pradesh and UT's of Jammu & Kashmir, Ladakh for which Reserve Prices are to be recommended.

4. In view of the above, MIB is requested to provide list of cities in the States of Himachal Pradesh, Uttarakhand, Sikkim, Arunachal Pradesh and UTs of Jammu & Kashmir, Ladakh where FM radio channels are to be opened so that TRAI can provide its Recommendations for auction of FM Radio channels in these cities.

This letter is issued with the approval of the competent authority.

V. Raghunandan
(V. Raghunandan)
Secretary
Tel: 23237448
Email: secretary@trai.gov.in

महानगर दूरसंचार भवन, जवाहरलाल नेहरू मार्ग / Mahanagar Doorsanchar Bhawan, Jawahar Lal Nehru Marg
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"प्रभावी विनियमन - सुगम संचार" 1
"Effective Regulation - Ease of Communication"

Annexure III

MIB letter dated 19.03.2024

संजीव शंकर, (भा.रा.से.)
संयुक्त सचिव (प्रसारण)
SANJIV SHANKAR, IRS
Joint Secretary (Broadcasting)

सत्यमेव जयते

भारत सरकार
सूचना एवं प्रसारण मंत्रालय
शास्त्री भवन, नई दिल्ली - 110001
GOVERNMENT OF INDIA
MINISTRY OF
INFORMATION & BROADCASTING
SHASTRI BHAWAN, NEW DELHI - 110001

D.O. No N 38014/35/2016-FM (Part I)/160 Dated: 19th March 2024

Dear Shri V. Raghunandan,

Please refer to the Telecom Regulatory Authority of India (TRAI)'s letter dated 29.01.2024 (copy enclosed) wherein MIB was requested to provide a list of cities where Private FM Radio channels are to be opened so that TRAI can provide its Recommendations for auction of FM Radio channels in these cities.

2. In this context, a list of 20 cities/towns in the states of Himachal Pradesh, Uttarakhand and UT of J&K is enclosed herewith. The technical parameters for analogue operation applicable to category 'D' stations under FM Phase-III policy is proposed to be made applicable to these cities. It may, however, be noted that considering terrain conditions, a new category 'E' needs to be defined and applied to some of the selected locations in order to fulfill the requirements of coverage and spectrum efficiency. All the parameters of category 'D', except for ERP may apply to category 'E'. For category 'E', ERP range proposed is 750 W-1 KW.

3. TRAI, is accordingly, requested to furnish its recommendations along with reserve prices for these 20 locations in Hilly states/UTs and also furnish reserve prices in two cities of Bilaspur (Chhattisgarh) and Rourkela (Odisha).

Best Regards,

Yours sincerely,

(Sanjiv Shankar) 19/3/24

Shri V. Raghunandan,
Secretary,
Telecom Regulatory Authority of India,
Mahanagar Doorsanchar Bhawan,
Jawaharlal Nehru Marg (Old Minto Road),
New Delhi 110002.

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ANNEXURE

LIST OF 20 PROPOSED CITIES/TOWNS FOR EXPANSION OF PVT FM RADIO

S No	State	District	Proposed City/ town
1	Himachal Pradesh	Bilaspur	Bilaspur
2	Himachal Pradesh	Hamirpur	Hamirpur
3	Himachal Pradesh	Kangra	Dharamsala
4	Himachal Pradesh	Mandi	Mandi
5	Himachal Pradesh	Sirmaur	Nahan
6	Himachal Pradesh	Solan	Solan
7	Himachal Pradesh	Una	Una
8	Jammu & Kashmir	Anantnag	Anantnag
9	Jammu & Kashmir	Bandipore	Bandipore
10	Jammu & Kashmir	Baramulla	Baramulla
11	Jammu & Kashmir	Budgam	Badgam
12	Jammu & Kashmir	Kulgam	Kulgam
13	Jammu & Kashmir	Kupwara	Kupwara
14	Jammu & Kashmir	Pulwama	Pulwama
15	Jammu & Kashmir	Rajouri	Rajouri
16	Jammu & Kashmir	Shopian	Shupiyan
17	Jammu & Kashmir	Udhampur	Udhampur
18	Uttarakhand	Almora	Almora
19	Uttarakhand	Nainital	Nainital
20	Uttarakhand	Udham Singh Nagar	Rudrapur

19/3/24.

Annexure IV

MIB letter dated 09.04.2024

संजीव शंकर, (भा.रा.से.)
संयुक्त सचिव (प्रसारण)
SANJIV SHANKAR, IRS
Joint Secretary (Broadcasting)

सत्यमेव जयते

भारत सरकार
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GOVERNMENT OF INDIA
MINISTRY OF
INFORMATION & BROADCASTING
SHASTRI BHAWAN, NEW DELHI - 110115

D.O. No. N-38014/35/2016-FM (Part I)/199   Dated: 9th April, 2024

Dear Shri Raghunandan,

Please refer to this Ministry's letter dated 19th March, 2024 wherein a list of 20 cities / towns in the states of Himachal Pradesh, Uttarakhand and UT of J&K was sent.

2. In this context, it is clarified that TRAI has already recommended the Reserve Price for city of Anantnag (J&K) in Category 'D' in its 2020 recommendations on Reserve Prices. Only Rudrapur (Uttarakhand) is proposed in Category 'D' as its population is more than 1 lakh as per census 2011 while the remaining 18 cities qualify for Category 'E'.

3. The technical parameters proposed for Category 'E' are as follows:

ERP range:	750 W – 1 KW
EHAAT range:	20 M to 40 M

Best Regards,

Yours sincerely,

(Sanjiv Shankar)

Shri V. Raghunandan,
Secretary,
Telecom Regulatory Authority of India,
Mahanagar Doorsanchar Bhawan,
Jawaharlal Nehru Marg (Old Minto Road),
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Annexure-V

Grouping of States & UTs based on per capita GSDP

State/UT	Per Capita GSDP (Rs) (2023-24)	Category
Chandigarh	482922	J
Delhi	515520	J
Goa	674684	J
Haryana	356829	J
Karnataka	376403	J
Sikkim	707181	J
Telangana	383536	J
Andhra Pradesh	266995	K
Arunachal Pradesh	248825	K
Gujarat	336875	K
Himachal Pradesh	281257	K
Kerala	316015	K
Maharashtra	319474	K
Mizoram	275633	K
Puducherry	291892	K
Punjab	228232	K
Tamil Nadu	353483	K
Uttarakhand	284468	K
Assam	159002	L
Bihar	66686	L
Chhattisgarh	168567	L
Jammu & Kashmir-UT	174727	L
Jharkhand	115960	L
Madhya Pradesh	155289	L
Meghalaya	156326	L
Odisha	185734	L
Rajasthan	186610	L
Tripura	197372	L
Uttar Pradesh	108097	L
West Bengal	166196	L

Annexure-VI

Grouping of states & UTs based on per capita Gross Revenue

State/UT	Per Capita GR (Rs in crore)	Category
Chandigarh	457.73	F
Delhi	136.91	F
GOA	37.74	F
Puducherry	97.37	F
KERALA	33.10	G
MAHARASHTRA	29.94	G
TAMIL NADU	30.06	G
Telangana	28.07	G
Andhra Pradesh	7.71	H
ARUNACHAL PRADESH	6.50	H
ASSAM	4.78	H
BIHAR	2.50	H
Chhattisgarh	0.92	H
GUJARAT	22.92	H
HARYANA	4.27	H
HIMACHAL PRADESH	7.82	H
Jammu & Kashmir-UT*	15.33	H
JHARKHAND	4.75	H
KARNATAKA	22.72	H
MADHYA PRADESH	8.90	H
MEGHALAYA	11.84	H
MIZORAM	12.05	H
ODISHA	4.12	H
PUNJAB	8.99	H
RAJASTHAN	13.07	H
Sikkim	16.21	H
Tripura	4.99	H
Uttar Pradesh	5.37	H
Uttarakhand	9.15	H
West Bengal	9.72	H

Annexure-VII

Grouping of states & UTs based on FM Radio Listenership

State	FM radio Listenership weighted by population (in 000')	Group
Bihar	86558	Q
Gujarat	57466	Q
Karnataka	57308	Q
Madhya Pradesh	66514	Q
Maharashtra	104792	Q
Rajasthan	61788	Q
Tamil Nadu	70909	Q
Uttar Pradesh	181128	Q
West Bengal	86596	Q
Andhra Pradesh	44811	R
Odisha	34998	R
Telangana	33059	R
Assam	28805	S
Chhattisgarh	21931	S
Delhi	16510	S
Goa	1416	S
Haryana	24444	S
Jammu & Kashmir-UT	4230	S
Jharkhand	29697	S
Kerala	29543	S
Meghalaya	2572	S
Mizoram	993	S
Punjab	26973	S
Sikkim	679	S
Tripura	3458	S
Uttarakhand	9646	S

Annexure-VIII

(i) Reference prices derived from successful bids of Phase-III auction (2015-16)

Name of City	State	Category as per MIB	Successful Bid Amount 1 (in Rs.)	Successful Bid Amount 2 (in Rs.)	Successful Bid Amount 3 (in Rs.)	Successful Bid Amount 4 (in Rs.)	Average Successful Bid	Successful Bid Amount (in Rs. Lacs)
Nellore	Andhra Pradesh	C	70200100				70200100	702
Rajahmundry	Andhra Pradesh	C	15000500	15000500			15000500	150
Tirupati	Andhra Pradesh	C	45050000				45050000	451
Guwahati	Assam	C	41111343				41111343	411
Muzaffarpur	Bihar	C	43531244	1510000	1510000	1510000	12015311	120
Chandigarh	Chandigarh	C	190472374	190472374			190472374	1905
Bilaspur	Chhattisgarh	C	3345541	3345541	3345541		3345541	33
Bhavnagar	Gujarat	C	35100000	35100000			35100000	351
Jamnagar	Gujarat	C	35100000	35100000			35100000	351
Jammu	Jammu & Kashmir-UT	C	10107090	10107090	10107090		10107090	101
Srinagar	Jammu & Kashmir-UT	C	6120090	6120090	6120090		6120090	61
Hubli-Dharwad	Karnataka	C	70200100	70200100			70200100	702
Mysuru	Karnataka	C	32130990				32130990	321
Alappuzha (Alleppey)	Kerala	C	70200100	70200100			70200100	702
Kozhikode	Kerala	C	70200100	70200100			70200100	702

Ujjain	Madhya Pradesh	C	35100000				35100000	351
Ahmednagar	Maharashtra	C	4713312	4713312			4713312	47
Akola	Maharashtra	C	2959000	2959000	5898152		3938717.3	39
Amravati	Maharashtra	C	35100000				35100000	351
Aurangabad	Maharashtra	C	62339493	62339493			62339493	623
Dhule	Maharashtra	C	4659000	4659000			4659000	47
Jalgaon	Maharashtra	C	3659000	3659000			3659000	37
Kolhapur	Maharashtra	C	94424489	94424489			94424489	944
Nanded	Maharashtra	C	2959000	2959000			2959000	30
Nasik	Maharashtra	C	146624270	146624270			146624270	1466
Sangli	Maharashtra	C	4659000	4705590			4682295	47
Sholapur	Maharashtra	C	7203811	7203811			7203811	72
Bhubaneshwar	Odisha	C	74013559				74013559	740
Rourkela	Odisha	C	10212651	10212651			10212651	102
Puducherry	Puducherry	C	40100000				40100000	401
Patiala	Punjab	C	16493619				16493619	165
Ajmer	Rajasthan	C	7908589	7908589			7908589	79
Bikaner	Rajasthan	C	3100000	3100000	3100000		3100000	31
Jodhpur	Rajasthan	C	114439124				114439124	1144
Kota	Rajasthan	C	10073018				10073018	101
Udaipur	Rajasthan	C	10517476				10517476	105
Erode	Tamil Nadu	C	70200100	70200100			70200100	702

Salem	Tamil Nadu	C	70200100	70200100			70200100	702
Tiruchy	Tamil Nadu	C	50000500				50000500	500
Tirunelveli	Tamil Nadu	C	12600000				12600000	126
Vellore	Tamil Nadu	C	70200100	70200100			70200100	702
Warangal	Telangana	C	12525000	12525000			12525000	125
Aligarh	Uttar Pradesh	C	3100000	3100000	3100000		3100000	31
Bareily	Uttar Pradesh	C	5259650	5259650			5259650	53
Gorakhpur	Uttar Pradesh	C	3100000	3100000			3100000	31
Jhansi	Uttar Pradesh	C	3100000	5695446	5695446		4830297.3	48
Dehradun	Uttarakhand	C	156100590				156100590	1561
Siliguri	West Bengal	C	6500501				6500501	65
Itanagar	Arunachal Pradesh	D	4372914	1303000			2837957	28
Durg-Bhilai Nagar	Chhattisgarh	D	17100000				17100000	171
Raigarh	Chhattisgarh	D	17100000				17100000	171
Baruch	Gujarat	D	17100000	17100000			17100000	171
Godhra	Gujarat	D	17100000				17100000	171
Junagadh	Gujarat	D	17100000	17100000			17100000	171
Mehsana	Gujarat	D	17100000	17100000			17100000	171
Palanpur	Gujarat	D	17100000				17100000	171
Porbandar	Gujarat	D	17100000				17100000	171
Veraval	Gujarat	D	17100000				17100000	171
Hissar	Haryana	D	8384735				8384735	84

Karnal	Haryana	D	10418625				10418625	104
Shillong	Meghalaya	D	6915070				6915070	69
Aizwal	Mizoram	D	1207000	2009444			1608222	16
Agartala	Tripura	D	1620000	7071529			4345764.5	43

(ii) Reference prices derived from successful bids of Phase-III auction (2025)

Name of City	State	City category based on population	Successful Bid Price (In Lakh)
Alwar	Rajasthan	C	**82**
Ambala	Haryana	D	**124**
Badaun	Uttar Pradesh	D	**62**
Bathinda	Punjab	D	**136**
Bhilwara	Rajasthan	C	**80**
Bhuj	Gujarat	D	**149**
Coonoor	Tamil Nadu	D	**163**
Daman	Gujarat	D	**128**
Dibrugarh	Assam	D	**39**
Dindigul	Tamil Nadu	D	**153**
Etawah	Uttar Pradesh	D	**77**
Faizabad/Ayodhya	Uttar Pradesh	D	**73**

Farrukhabad cum Fatehgarh	Uttar Pradesh	D	**70**
Gandhidham	Gujarat	D	**149**
Ganganagar	Rajasthan	D	**121**
Haldwani-cum Kathgodam	Uttarakhand	D	**106**
Haridwar	Uttarakhand	D	**108**
Jorhat	Assam	D	**41**
Kaithal	Haryana	D	**95**
Kanhangad (Kasaragod)	Kerala	D	**156**
Karaikudi	Tamil Nadu	D	**149**
Karur	Tamil Nadu	D	**168**
Ludhiana	Punjab	B	**783**
Mathura	Uttar Pradesh	D	**87**
Moradabad	Uttar Pradesh	B	**280**
Nagarcoil/ Kanyakumari	Tamil Nadu	D	**193**
Neyveli	Tamil Nadu	D	**157**
Palakkad	Kerala	D	**170**
Pali	Rajasthan	D	**106**
Panipat	Haryana	D	**113**
Pudukkottai	Tamil Nadu	D	**139**

Puri	Odisha	D	**73**
Rajapalayam	Tamil Nadu	D	**159**
Ratlam	Madhya Pradesh	D	**81**
Rewa	Madhya Pradesh	D	**68**
Rewari	Haryana	D	**110**
Rohtak	Haryana	D	**110**
Sambalpur	Odisha	D	**87**
Sikar	Rajasthan	D	**108**
Silchar	Assam	D	**29**
Thanjavur	Tamil Nadu	D	**157**
Tiruvannamalai	Tamil Nadu	D	**131**
Vaniyambadi	Tamil Nadu	D	**154**

Annexure-IX

Grouping of existing cities based on the per capita GSDP and population Matrix-I

City category (based on population) / State/UT category (based per capita GSDP)	C	D
K	Nellore, Rajahmundry, Tirupati, Bhavnagar, Jamnagar, Alappuzha (Alleppey), Kozhikode, Ahmednagar, Akola, Amravati, Aurangabad, Dhule, Jalgaon, Kolhapur, Nanded, Nasik, Sangli, Sholapur, Puducherry,Patiala,Erode,Salem,Tiruchy,Tirunelveli,Vellore,Dehradun	Itanagar, Baruch Godhra, Junagadh, Mehsana, Palampur, Porbandar, Veraval, Aizawl, Bathinda, , Bhuj, Coonoor, Daman, Dindigul, Gandhidham, Haldwani-cum Kathgodam, Haridwar, Kanhangad (Kasaragod), Karaikudi, Karur, Nagarcoil/Kanyakumari, Neyveli, Palakkad, Pudukkottai, Rajapalayam, Thanjavur, Tiruvannamalai, Vaniyambadi.
L	Guwahati, Muzaffarpur, Bilaspur, Jammu, Srinagar, Ujjain, Bhubaneshwar, Rourkela, Ajmer, Bikaner, Jodhpur, Kota, Udaipur, Aligarh, Bareilly, Gorakhpur, Jhansi, Siliguri, Alwar, Bhilwara	Durg-Bhillainagar, Raigarh, Shillong, Agartala, Badaun, Dibrugarh, Etawah, Faizabad/Ayodhya, Farrukhabad cum Fatehgarh, Ganganagar, Jorhat, Mathura, Pali, Puri, Ratlam, Rewa, Sambalpur, Sikar, Silchar.

Annexure-X

Grouping of existing cities based on the per capita GR and population Matrix-II

City category (based on population) / State/UT category (based on per capita GR)	C	D
H	Nellore, Rajahmundry, Tirupati, Guwahati, Muzaffarpur, Bilaspur, Bhavnagar, Jamnagar, Jammu, Srinagar, Hubi-Dharwad, Mysuru, Ujjain, Bhubaneshwar, Rourkela, Patiala, Ajmer, Bikaner, Jodhpur, Kota, Udaipur, Aligarh, Bareilly, Gorakhpur, Jhansi, Dehradun, Siliguri, Alwar, Bhilwara	Itanagar, Durg-Bhilainagar Raigarh, Baruch, Godhra, Junagadh, Mehsana, Palanpur, Porbandar,Veraval, Hissar, Karnal, Shillong, Aizawl Agartala, Ambala, Badaun, Bathinda, Bhuj, Daman, Dibrugarh, Etawah, Faizabad/Ayodhya, Farrukhabad cum Fatehgarh, Gandhidham, Ganganagar, Haldwani-cum Kathgodam, Haridwar, Jorhat, Kaithal, Mathura, Pali, Panipat, Puri, Ratlam, Rewa, Rewari, Rohtak, Sambalpur, Sikar, Silchar.

Annexure-XI

Grouping of existing cities based on listenership of FM radio and population Matrix- III

City category (based on population) / State/UT Category (Based on FM Radio listenership)	C	D
R	Nellore Rajahmundry Tirupati Bhubaneshwar Rourkela Warangal Bhilwara	Puri Sambalpur
S	Guwahati Bilaspur Jammu Srinagar Alappuzha (Alleppey) Kozhikode Patiala Dehradun	Agartala, Aizwal, Durg-Bhillainagar, Hissar, Karnal, Raigarh, Shillong, Ambala, Bathinda, Dibrugarh, Haldwani-cum Kathgodam, Haridwar, Jorhat, Kaithal, Kanhangad (Kasaragod), Palakkad, Panipat, Rewari, Rohtak, Silchar.

Annexure-XII

Category 'C' and 'D' cities grouped based on per capita GSDP

2015-16 Auction						Identification of Outliers
Name of City	**State**	**Category as per MIB**	**GSDP Per CAP class**	**Successful Bid**	**Successful Bid Amount (in Rs. Lacs)**	
Guwahati	Assam	C	L	41111343	411	Excluded as Auction price exceeded twice the average of the category
Muzaffarpur	Bihar	C	L	12015311	120	
Bilaspur	Chhattisgarh	C	L	3345541	33	
Jammu	Jammu & Kashmir-UT	C	L	10107090	101	
Srinagar	Jammu & Kashmir-UT	C	L	6120090	61	
Ujjain	Madhya Pradesh	C	L	35100000	351	
Bhubaneshwar	Odisha	C	L	74013559	740	Excluded as Auction price exceeded twice the average of the category
Rourkela	Odisha	C	L	10212651	102	
Ajmer	Rajasthan	C	L	7908589	79	
Bikaner	Rajasthan	C	L	3100000	31	
Jodhpur	Rajasthan	C	L	114439124	1144	Excluded as Auction price exceeded twice the average of the category
Kota	Rajasthan	C	L	10073018	101	

Udaipur	Rajasthan	C	L	10517476	105	
Aligarh	Uttar Pradesh	C	L	3100000	31	
Bareily	Uttar Pradesh	C	L	5259650	53	
Gorakhpur	Uttar Pradesh	C	L	3100000	31	
Jhansi	Uttar Pradesh	C	L	4830297.3	48	
Siliguri	West Bengal	C	L	6500501	65	
2025 Auction						
Alwar	Rajasthan	C	L	8200000	82	
Bhilwara	Rajasthan	C	L	8000000	80	
Average (C,L)					**87**	
2015-16 Auction						
Itanagar	Arunachal Pradesh	D	K	2837957	28	
Baruch	Gujarat	D	K	17100000	171	
Godhra	Gujarat	D	K	17100000	171	
Junagadh	Gujarat	D	K	17100000	171	
Mehsana	Gujarat	D	K	17100000	171	
Palanpur	Gujarat	D	K	17100000	171	
Porbandar	Gujarat	D	K	17100000	171	
Veraval	Gujarat	D	K	17100000	171	
Aizwal	Mizoram	D	K	1608222	16	

2025 Auction						
Bathinda	Punjab	D	K	13600000	136	
Bhuj	Gujarat	D	K	14900000	149	
Coonoor	Tamil Nadu	D	K	16300000	163	
Daman	Gujarat	D	K	12800000	128	
Dindigul	Tamil Nadu	D	K	15300000	153	
Gandhidham	Gujarat	D	K	14900000	149	
Haldwani-cum Kathgodam	Uttarakhand	D	K	10600000	106	
Haridwar	Uttarakhand	D	K	10801193	108	
Kanhangad (Kasaragod)	Kerala	D	K	15557545	156	
Karaikudi	Tamil Nadu	D	K	14900000	149	
Karur	Tamil Nadu	D	K	16800000	168	
Nagarcoil/ Kanyakumari	Tamil Nadu	D	K	19300000	193	
Neyveli	Tamil Nadu	D	K	15700000	157	
Palakkad	Kerala	D	K	16984512	170	
Pudukkottai	Tamil Nadu	D	K	13900000	139	
Rajapalayam	Tamil Nadu	D	K	15900000	159	
Thanjavur	Tamil Nadu	D	K	15700000	157	
Tiruvannamalai	Tamil Nadu	D	K	13100000	131	
Vaniyambadi	Tamil Nadu	D	K	15400000	154	
Average (D,K)					**145.21**	

Annexure-XIII

Category 'C' and 'D' cities grouped based on per capita GR

2015-16 Auction						
Name of City	**State**	**Category as per MIB**	**GR PER CAP class**	**Successful Bid**	**Successful Bid Amount (in Rs. Lacs)**	**Identification of Outliers**
Nellore	Andhra Pradesh	C	H	70200100	702	Excluded as Auction price exceeded twice the average of the category
Rajahmundry	Andhra Pradesh	C	H	15000500	150	
Tirupati	Andhra Pradesh	C	H	45050000	451	
Guwahati	Assam	C	H	41111343	411	Excluded as Auction price exceeded twice the average of the category
Muzaffarpur	Bihar	C	H	12015311	120	
Bilaspur	Chhattisgarh	C	H	3345541	33	
Bhavnagar	Gujarat	C	H	35100000	351	
Jamnagar	Gujarat	C	H	35100000	351	
Jammu	Jammu & Kashmir-UT	C	H	10107090	101	
Srinagar	Jammu & Kashmir-UT	C	H	6120090	61	
Hubi-Dharwad	Karnataka	C	H	70200100	702	

Mysuru	Karnataka	C	H	32130990	321	
Ujjain	Madhya Pradesh	C	H	35100000	351	
Bhubaneshwar	Odisha	C	H	74013559	740	Excluded as Auction price exceeded twice the average of the category
Rourkela	Odisha	C	H	10212651	102	
Patiala	Punjab	C	H	16493619	165	
Ajmer	Rajasthan	C	H	7908589	79	
Bikaner	Rajasthan	C	H	3100000	31	
Jodhpur	Rajasthan	C	H	114439124	1144	Excluded as Auction price exceeded twice the average of the category
Kota	Rajasthan	C	H	10073018	101	
Udaipur	Rajasthan	C	H	10517476	105	
Aligarh	Uttar Pradesh	C	H	3100000	31	
Bareily	Uttar Pradesh	C	H	5259650	53	
Gorakhpur	Uttar Pradesh	C	H	3100000	31	
Jhansi	Uttar Pradesh	C	H	4830297.333	48	
Dehradun	Uttarakhand	C	H	156100590	1561	Excluded as Auction price exceeded twice the average of the category
Siliguri	West Bengal	C	H	6500501	65	
2025 Auction						
Alwar	Rajasthan	C	H	8200000	82	

Bhilwara	Rajasthan	C	H	8000000	80	
Average (C,H)					**153**	
2015-16 Auction						
Itanagar	Arunachal Pradesh	D	H	2837957	28	
Durg-Bhillainagar	Chhattisgarh	D	H	17100000	171	
Raigarh	Chhattisgarh	D	H	17100000	171	
Baruch	Gujarat	D	H	17100000	171	
Godhra	Gujarat	D	H	17100000	171	
Junagadh	Gujarat	D	H	17100000	171	
Mehsana	Gujarat	D	H	17100000	171	
Palanpur	Gujarat	D	H	17100000	171	
Porbandar	Gujarat	D	H	17100000	171	
Veraval	Gujarat	D	H	17100000	171	
Hissar	Haryana	D	H	8384735	84	
Karnal	Haryana	D	H	10418625	104	
Shillong	Meghalaya	D	H	6915070	69	
Aizwal	Mizoram	D	H	1608222	16	
Agartala	Tripura	D	H	4345764.5	43	
2025 Auction						
Ambala	Haryana	D	H	12400000	124	
Badaun	Uttar Pradesh	D	H	6200000	62	
Bathinda	Punjab	D	H	13600000	136	

Bhuj	Gujarat	D	H	14900000	149	
Daman	Gujarat	D	H	12800000	128	
Dibrugarh	Assam	D	H	3900000	39	
Etawah	Uttar Pradesh	D	H	7700000	77	
Faizabad/Ayodhya	Uttar Pradesh	D	H	7300000	73	
Farrukhabad cum Fatehgarh	Uttar Pradesh	D	H	7000000	70	
Gandhidham	Gujarat	D	H	14900000	149	
Ganganagar	Rajasthan	D	H	12100000	121	
Haldwani-cum Kathgodam	Uttarakhand	D	H	10600000	106	
Haridwar	Uttarakhand	D	H	10801192.5	108	
Jorhat	Assam	D	H	4100000	41	
Kaithal	Haryana	D	H	9500000	95	
Mathura	Uttar Pradesh	D	H	8700000	87	
Pali	Rajasthan	D	H	10600000	106	
Panipat	Haryana	D	H	11300000	113	
Puri	Odisha	D	H	7300000	73	
Ratlam	Madhya Pradesh	D	H	8100000	81	
Rewa	Madhya Pradesh	D	H	6800000	68	
Rewari	Haryana	D	H	11000000	110	
Rohtak	Haryana	D	H	11000000	110	
Sambalpur	Odisha	D	H	8700000	87	
Sikar	Rajasthan	D	H	10800000	108	
Silchar	Assam	D	H	2900000	29	
Average (D,H)					**105.68**	

Annexure-XIV

Category ‘C’ and ‘D’ cities grouped based on FM Radio Listenership

2015-16 Auction						
Name of City	**State**	**Category as per MIB**	**Listenership class**	**Successful Bid**	**Successful Bid Amount (in Rs. Lacs)**	**Identification of Outliers**
Nellore	Andhra Pradesh	C	R	70200100	702	
Rajahmundry	Andhra Pradesh	C	R	15000500	150	
Tirupati	Andhra Pradesh	C	R	45050000	451	
Bhubaneshwar	Odisha	C	R	74013559	740	
Rourkela	Odisha	C	R	10212651	102	
Warangal	Telangana	C	R	12525000	125	
Average(C,R)				**37833635**	**378**	
Guwahati	Assam	C	S	41111343	411	
Bilaspur	Chhattisgarh	C	S	3345541	33	
Jammu	Jammu & Kashmir	C	S	10107090	101	
Srinagar	Jammu & Kashmir	C	S	6120090	61	
Alappuzha (Alleppey)	Kerala	C	S	70200100	702	
Kozhikode	Kerala	C	S	70200100	702	
Patiala	Punjab	C	S	16493619	165	

Dehradun	Uttarakhand	C	S	156100590	1561	Excluded as Auction price exceeded twice the average of the category
Average(C,S)				**46709809**	**311**	
2015-16 Auction						
Durg-Bhillainagar	Chhattisgarh	D	S	17100000	171	
Raigarh	Chhattisgarh	D	S	17100000	171	
Hissar	Haryana	D	S	8384735	84	
Karnal	Haryana	D	S	10418625	104	
Agartala	Tripura	D	S	4345764.5	43	
2025 Auction						
Ambala	Haryana	D	S	12400000	124	
Bathinda	Punjab	D	S	13600000	136	
Dibrugarh	Assam	D	S	3900000	39	
Haldwani-cum Kathgodam	Uttarakhand	D	S	10600000	106	
Haridwar	Uttarakhand	D	S	10801193	108	
Jorhat	Assam	D	S	4100000	41	
Kaithal	Haryana	D	S	9500000	95	
Kanhangad (Kasaragod)	Kerala	D	S	15557545	156	

Palakkad	Kerala	D	S	16984512	170	
Panipat	Haryana	D	S	11300000	113	
Rewari	Haryana	D	S	11000000	110	
Rohtak	Haryana	D	S	11000000	110	
Silchar	Assam	D	S	2900000	29	
Average(D,S)					**0.997**	

Annexure XV

MIB letter dated 29.11.2024

No. N- 38020/2/2024-FM/705
Government of India
Ministry of Information and Broadcasting
(FM Cell)
*****

Shastri Bhawan, New Delhi
Dated: 29.11.2024

To

Shri V K Agarwal
Joint Advisor (B&CS)
Telecom Regulatory Authority of India
(4th to 7th Floors), Tower-F,
World Trade Centre, Nauroji Nagar,
New Delhi: 110029

Subject: Reserve Price for auction of FM radio channels – reg.

Ref. : TRAI's letter no. R-11/3/(1)/2024-B AND CS(1 AND 3) dated 05.11.2024

Sir,

With reference to TRAI's letter on the above subject regarding approximate coverage area of FM radio channel in kilometres, in cities of categories 'Others' and 'E', the undersigned is directed to state as below:

Coverage areas have been computed with antenna (non-directional) at a height of 40 Mt. (AGL) and maximum permitted nominal ERP of 1 Kw (category 'E') & 3 KW (category 'Others') for planning purposes. Due to the difficult terrain conditions, adjustments are required to be made for prescribed nominal values of EHAAT and ERP depending on exact location of each of the transmitting sites, following ITU-R Rec. P, 1546. Accordingly, average values of approximate coverage area are:

i) Category "Others': 2314 Sq. KM (translated to circle with radius of approx. 27 KMs.)

ii) Category 'E': 1734 Sq. KM (translated to circle with radius of approx. 23 KMs.)

Yours faithfully,
M.S Rawat 29.11.2024
(M.S. Rawat)
Deputy Director
Tel: 2338 4326