

**GOVERNMENT OF INDIA  
INFORMATION AND BROADCASTING  
LOK SABHA**

STARRED QUESTION NO:142  
ANSWERED ON:11.12.2003  
TASK FORCE ON FM RADIO  
GADDE RAMAMOCHAN;M.V.V.S MURTHI

**Will the Minister of INFORMATION AND BROADCASTING be pleased to state:**

- (a) whether the Government propose to allow the private FM Stations across the country to broadcast news on their frequencies;
- (b) if so, whether the Government had set up/propose to setup any task force to review the policy in relation to national security aspect and observance of programme code like the one followed by All India Radio presently ;
- (c) if so, the details thereof alongwith the terms and reference of the task force;
- (d) the time by which the new policy is likely to come into effect;
- (e) the amount earned by the Government from F.M. licence fees during the last three years and till date so far; and
- (f) the number of F.M. players declared defaulters alongwith the penalty imposed on each F.M. player during the above period?

**Answer**

THE MINISTER OF STATE OF THE MINISTRY OF INFORMATION AND BROADCASTING (SHRI RAVI SHANKAR PRASAD)

(a) to (f) : A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) (b) OF LOK SABHA STARRED QUESTION NO. 142 FOR ANSWER ON 11.12.2003

(a) to (c): The Government had, on 24th July, constituted a Committee to make recommendations for radio broadcasting for phase II. The details of the terms and reference of the said Committee is placed at the Annexure-I. The Committee has on 17th November, 2003 submitted its report to the Government.

(d): No time frame can be indicated for the decision on the recommendations of the Committee.

(e): A total sum of Rs. 23346.85 lakhs, which includes licence fees, reserve licence fees, earnest money deposit, sale of tender document and encashment of bank guarantees have been received by the government till date.

(f): Licence Agreements were signed with 16 companies for 37 stations in 19 cities, to establish, maintain and operate FM Radio broadcast stations on certain terms and conditions. The details of the companies who violated terms and conditions of the licence and the action taken thereon are given in the Annexure-II.

Annexure referred to in reply to Part (a) to (c) of the Lok Sabha Starred Question No. 142 for answer on 11.12.2003.

Annexure -I

The Terms of Reference of the Committee, constituted by the Government, on 24.07.2003, to make recommendation for Radio Broadcasting for Phase II

- (i) Determining a transparent and effective bidding /auction process to be adopted for allotment of frequencies.
- (ii) Assessment of a viable licensee fee structure for the various cities (one time entry fee, fixed licence fees, revenue sharing etc.) to be based on clearly defined parameters.
- (iii) Suggestions regarding extent of foreign equity participation in private FM in order to make them economically more viable/sustainable while also keeping in mind regimes in other sectors and requirements of national security.
- (iv) Study the desirability and legal implications of making modifications in licensing regime of Phase-I licensees should a different

licensing regime be proposed for phase-II.

(v) Suggestions for improvement in content being broadcast and considering the inclusion of news.

(vi) Examining the possibility of having non-commercial, non-advertisement driven channels, to be operated/licenced by the same commercial broadcasters; terms & conditions thereof; consideration of whether type of content of these channels could include subjects related to the heritage and culture of India.

(vii) Recommendations for a code of conduct in programming matters and method of strict enforcement for violations thereof.

(viii) Assessment of whether colocation is necessary and desirable and if found otherwise, approach to be adopted in the metros, where collocated set ups involving huge investments stand operationalised.

(ix) Determining the legal implications of the regime which may be proposed vis-à-vis the existing one.

(x) Formulating draft bidding documents and contract/licence agreement.

(xi) Other matters as may be referred to the Committee from time to time.

Annexure referred to in reply to Part (f) of the Lok Sabha Starred Question No. 142 for answer on 11.12.2003

Annexure - II

S.No. Name of Company stations Action/Other remarks

1. M/s. Vertex B,casting Co. Pvt. Ltd. Kolkata Bank Guarantee encashed  
Indore,  
Bhopal &  
Visakhapatnam
2. M/s Millenium Delhi B.cast Pvt. Ltd. Delhi The Company Obtained stay from  
High Court against encashment of Bank  
Guarantee.
3. M/s Millenium Chennai B.cast Pvt. Ltd. Chennai The Company Obtained stay from  
High Court against encashment of Bank  
Guarantee.
4. M/d Mid-day Radio North (India) Ltd. Delhi The Company Obtained stay from  
High Court against encashment of Bank  
Guarantee.
5. M/d Mid-day B`casting South (India) Ltd. Chennai The Company Obtained stay from  
High Court against encashment of Bank  
Guarantee.
6. M/s. Entertainment Network India Ltd. Hyderabad,  
Lucknow &  
Cuttack The Company Obtained stay from High Court  
against encashment of Bank Guarantee.
7. M/s. Music Broadcast Pvt. Ltd. Nagpur & Patna The Company Obtained stay from High Court  
against encashment of Bank Guarantee.
8. M/s Millenium Mumbai B`Cast Pvt. Ltd. Mumbai Licence revoked and Bank Guarantee  
encashed. Station is however being run  
under Court Order.