

REPLIES TO PRE BID QUERIES IN RESPECT OF NIA DATED 14.10.2024		
Query No.	Querist No.1	
1	Query	The last date of submissions is mentioned as 15.11.24 as per NIA notice. This is to kindly share requests of many radio operators to 1. Extend the date of submissions till 15.1.25. This will enable Board of Directors review and required resolution, and also give time to assess market of each town under auction. 2. Some operators have also informed that postponing date of actual auction to financial year 2024-25 (say April 25) would enable more budget allocation for auctions
	Reply to query	1 & 2 A decision in this regard is being informed separately.
2	Query	3. Existing radio broadcasters have expressed and shared that implementation of Trai recommendations (Issues related to FM radio broadcast) would create much more demand to participate in auctions. 4. There are also concerns on separate formula for annual fees of different auction batches under same FM Radio phase 3 policy
	Reply to query	3&4 The Government has considered the TRAI recommendations and amended FM Policy as deemed fit for new uncovered cities.
Querist No.2		
3	Query	As per NIA document, city named Anantapuram, Andhra Pradesh is part of the bid. Whether this is the same city named Anantapur, Andhra Pradesh or Ananthapuram a town in Andhra Pradesh
	Reply to query	Ananthapuram is same as Anantapur city in Andhra Pradesh

4	Query	As per NIA document, point number 6.4, it is given that “At the places, where PB is not the LTI provider and BECIL is not the system integrator, submit the details to BECIL for vetting the schematic drawing and specifications.....”. Why should the Radio Company go to BECIL for vetting the schematic drawing? This will lead to unnecessary delay and additional cost burden the Radio Companies.
	Reply to query	Note below clause 6.4 of NIA stands deleted.
5	Query	What will be basis of payment of quarterly advance license fee for the 1st year where we don't have the revenue data? Whether it will based on estimated revenue
	Reply to query	In this regard, Clause 6.4 of FM Policy is applicable. Accordingly, for the first year, the Annual Fee shall be calculated as 2.5% of the NOTEF till the end of the financial year and even beyond till the determination of the first year's gross revenues. In terms of policy amendments, the Annual Fee will be charged as 4% of GR throughout the permission period and therefore, necessary adjustment in the First year fee already paid will be carried out after the determination of the first year's gross revenues.
6	Query	The NIA document does not have the format of the compliance certificate. Refer clause 5.7.1 (c)
	Reply to query	A draft specimen format is enclosed as Annexure A
7	Query	The NIA document does not have the format of the affidavit for the person who will participate in the bid process – Refer clause 5.7.1 (g)
	Reply to query	A draft specimen format is enclosed as Annexure B
8	Query	Kindly provide the list of cities which has the PB Towers for sharing.
	Reply to query	The list of Prasar Bharati sites is at Annexure C

9	Query	<p>As requested by all FM Radio Companies during the prebid meeting, we once again humbly request your office to consider postponement of auction by 3 months due to following:</p> <p>Cities shortlisted for the current auction are mostly C & D cities and we need time to understand the potential revenue the cities can generate. These are Tier 3 and Tier 4 cities which requires deep study of the market. Time required for the Companies to be ready with the funds for OTEF, Capex for erecting Tower and security deposit for new station. Time required to be ready with all documentations, BG, Auditor Certification etc.</p> <p>On account of the above issues, humbly request you to postpone the auction process to the beginning of 2025-26.</p>
	Reply to query	Reply same as Query No 1
Querist No.3		
10	Query	<p>We would like to highlight that the timelines provided for the conduct of the entire auction process are too stringent. All the 234 cities where new frequencies have been put up for auction are virgin cities which were hitherto never explored perspective of identifying the potential revenue generation prospects. Identifying potential revenue generation prospects is a time consuming process as no precedents are available in these markets. In view of the unanimous request raised during the conference for extending the timelines for submission of applications by at least one month so that the prospective bidders of the present batch III are able to participate with much vigor and zeal.</p>
	Reply to query	Reply same as Query No 1

11	Query	<p>The requirement of obtaining BECIL approval upon payment of consultancy charges as provided for in Note section on Page 26 in Section 6.4 of the NIA dtd. 14th October 2024 seems to have inadvertently crept in the NIA document as this requirement of obtaining approval from BECIL is not there in the FM Phase III policy.</p> <p>We would like to submit that in such an event where BECIL is not the system integrator and a third party is the system integrator, then BECIL being an interested party should not be assigned the task of granting approvals. Such a requirement of obtaining approval from BECIL would not only impose extra financial burden on the successful bidders but also result in unnecessary delay in the operationalization process as has been the experience with BECIL in the past. Instead of granting such rights to BECIL, we suggest that an operator should be allowed to submit a self-certification of meeting all the necessary criteria. Also as requested earlier, we again request that the mandate of using Prasar Bharti Infrastructure should be removed even if PB infra is already present in a concerned city/station. It should be left to the discretion of the successful bidders to do it at AIR facility or some other facility.</p>
	Reply to query	Reply same as Query No 4
12	Query	<p>As per the current practices, generally it takes upto 1-2 years to get empaneled with DAVP, due to the lengthy empanelment process. Since, most of these cities are non-IRS cities, these stations will ultimately get the minimum rate as stipulated in the DAVP policy. In view of the above, we request you to empanel the successful bidders of the from the date of operationalization. This will help us to participate in the bidding process more proactively. In view of the above mentioned and also with a view that the upcoming auctions are a grand success for all the stakeholders,</p>

		we request this esteemed office to:1. Extend the auction timelines by at least one month;2. To remove the requirement related to obtaining of BECIL approval as per note under section 6.4 of NIA; and3. Make DAVP rates applicable from day one of operationalization of new channels.
	Reply to query	Ministry will expedite the empanelment of permission holders in these cities.
Querist No.4		
13	Query	We appreciate the Government's objective to expand the footprint of Private FM space across India. However, the current timeline for the upcoming auction scheduled for December 2024, with applications submission due by November 18, 2024, is exceedingly tight. Evaluating the feasibility of each city and obtaining necessary approvals from our Board/Management within this timeframe poses significant challenges, especially during the festive season when business priorities shift towards achieving targets. Therefore, we respectfully request an extension of at least 60-90 days for application submissions.
	Reply to query	Reply same as Query No 1

14	Query	<p>Implementation of TRAI Recommendations</p> <p>a. The Telecom Regulatory Authority of India (TRAI) has made vital recommendations to enhance the sustainability of the FM radio sector, including:</p> <p>b. Delinking the annual license fee from the Non-Refundable One Time Entry Fee (NOTEF).</p> <p>c. Setting the license fee at 4% of Gross Revenue, excluding GST.</p> <p>d. These recommendations have yet to be implemented for existing permission holders, which hampers their ability to recover from financial losses and to confidently participate in future auctions. Pertinently, non-implementation of the TRAI Recommendations to existing permission holder will create imbalance and anomaly in the Phase- 3 policy. We request that Govt implement these TRAI recommendations before the fresh Auctions to ensure the financial viability for the existing broadcasters</p>
	Reply to query	Reply same as Query No 2
15	Query	Given the absence of an IRS study on listenership data for newly discovered cities, we propose that DAVP rates applicable to Phase-3 and Batch-3 stations should commence from the date of operationalization.
	Reply to query	Same as Query No 12
16	Query	<p>The NIA at page 26 mentions a scenario where Prasar Bharati is not the LTI provider and BECIL is not the system integrator, necessitating approval on technical aspect from BECIL upon payment of a consultancy fee. We believe that allowing BECIL—an interested party—to assess its own interests could lead to conflicts of interest. We request that this condition be removed to prevent delays in channel operationalization, as has been observed in past instances with BECIL. Additionally, we suggest eliminating monitoring charges that BECIL charges from the broadcasters</p>

		and developing alternative technology for content monitoring.
	Reply to query	Same as Query No 4
17	Query	We propose that the high rental fees imposed by Prasar Bharati for an initial period of three years be waived for Phase-3 Batch-3 stations, as the revenue potential in these newly discovered cities is yet to be assessed. Also for the years after that the market linked rental rates should be charged by Prasar Bharti for existing and new locations.
	Reply to query	No Change
18	Query	Rs 3.38 lacs per annum per channel is charged on a fixed basis . We suggest that this should be waived for C and D category as the potential for revenue is limited.
	Reply to query	No Change
Querist No.5		
19	Query	We are keen to participate in the auction and have started necessary internal processes in our organization. However you may also appreciate that the decision required extensive exercise including financial assessment, resource management, project preparation, viability analysis etc. Sambhaav Media being a public limited listed company at stock exchanges, has to follow SOP before participating at any tender for project considering interest of the shareholders at large. This normally includes clearances from the internal committees and Board of Directors also. In view of the above compulsive situation; we most

		respectfully request the Ministry to grant and permit us a time of additional 30 days from 18-November-2024.
	Reply to query	Same as Query No 1
	Querist No.6	
20	Query	<p>As you are aware, we are operating 6 FM Radio stations in Kerala with the following frequencies under the name and style "Club FM":</p> <p>1. Kochi - 94.3, 2. Thiruvananthapuram - 94.3, 3. Kannur - 94.3, 4. Thrissur - 104.8. 5. Kozhikode - 104.8</p> <p>6. Alappuzha - 104.8</p> <p>3 frequencies each have been notified in Kanhangad and Palakkad in Kerala as per the notice cited above. Linear distance between Kanhangad and Kannur will be approx. 50 kms. If the frequency 94.3 is allocated to Kanhangad then, there is every likelihood of interference with our Kannur station. Similarly, other frequencies at Mangalore are also likely to interfere with Kanhangad.</p> <p>Linear distance between Palakkad and Thrissur is also approx. 50 kms. If the frequency 104.8 is allocated to Palakkad then, there is every likelihood of interference with our Thrissur station. Similarly, other frequencies at Combatore and Kochi are also likely to interfere with Palakkad.</p> <p>A proper field monitoring will reveal the extent of interferences at Kanhangad and Palakkad. In order to avoid any interference, we would humbly request that you may not allocate the frequencies available at Kannur and Mangalore to Kanhangad and also not to allocate the frequencies available at Thrissur, Kochi, and Coimbatore to Palakkad.</p>
	Reply to query	WPC identifies the frequencies in each city based on technical considerations.

21	Query	As per the NIA the last date for submission of applications is 18 November, 2024. As mentioned at the pre bid conference, with a view to enable us to assess the market and to prepare a detailed project for bank financing, it is necessary that the date of submissions of application and the subsequent proceedings of the bid process may be extended atleast by 2 [two] months from today. You will appreciate that the time allowed is just about 20 days and within such a short period of time, it may be difficult for us to prepare the feasibility project, and submit it to our Board for appropriate decisions regarding the bid amount.
	Reply to query	Same as Query No 1
22	Query	Vide our letter dated 28 October, 2024 [copy enclosed], we had requested you to decide on the frequencies at Kanhangad and Palakkad which is essential for us to take a proper decision. We anticipate interference with the frequencies in nearby towns. We would humbly request that you may not allocate the frequencies available at Kannur and Mangalore to Kanhangad and also not to allocate the frequencies available at Thrissur, Kochi, and Combatore to Palakkad to avoid interferences. You may conduct a field study for this purpose. This can be done in the two months' time of extension sought in 1 above.
	Reply to query	Same as Query No 20
23	Query	Para 6.3.2.1 (b) of the NIA makes it mandatory to submit provisional financial statements as on 30.09.2024 certified by a practicing-chartered accountant. As you are aware, it is not mandatory for unlisted companies to audit their quarterly and half yearly financial statements. Hence, this requirement may be removed and, in the alternative, insist on production of net worth certificate as on 30.09.2024

		and audited financial statements for the financial years 2022-23 and 2023-24.
	Reply to query	No Change. Provisional statement as on 30.09.2024 may be certified by practising CA.
24	Query	At the places where Prasar Bharati facility is not available, the LOI holders will have to set up CTI which includes transmission facilities and radio tower. Installation of these equipments require clearances from the local panchayath / municipality or other local authorities. This will result in a lot of time and effort and resultant delays in obtaining clearances from local bodies. The payment of NOTEF may be extended accordingly for such station/s until such time the CTI is ready.
	Reply to query	No Change
25	Query	Copies of Income Tax returns for the last 3 years are required to be submitted alongwith the application as per item no. 14.4 of the application form. As already mentioned at the conference, Income Tax returns for every year run upto more than 200 pages. This condition may be removed. In the alternative, a summary of the returns or the relevant pages alone may be insisted.
	Reply to query	Copies of Income Tax returns for the last 3 years, if voluminous, may be submitted in pen drive and summary of the returns or the relevant pages alongwith the hard copy of application.
26	Query	At the places where Prasar Bharati facility is not available and if there is only one successful bidder in that location, then it may not be feasible for the sole bidder to set up the CTI. In such cases, the sole bidder may be given the option either to make NOTEF in easy instalments or to exit due to impossibility of performance.
	Reply to query	No Change

		Querist No.7
27	Query	5.7.1 (a)- Do we have to give separate BG for each centre or single BG for the total EMD amount of all centres we plan to bid?
	Reply to query	5.7.1 (a) - Separate EMD BG for each city is not required. Total EMD BG (1 or more than 1) as per bidders convenience
28	Query	5.7.1 (d) Is this the total application processing fee irrespective of no. of channels we bid?
	Reply to query	Yes
29	Query	Why we need to pay BECIL, where there is no LTI and BECIL is not a consultant, for vetting the specs as after running our FM station for more than 10 years and knowing all the technical parameters as per Clause no.16 of FM Policy Guidelines dtd. 25th July,2011? Do we still have to get the specs vetted by BECIL when there is LTI available, but BECIL is not the system Integrator? What is the vetting timeline for BECIL to complete this? What are the fees one must pay to BECIL for this vetting?
	Reply to query	Reply same as Query No 4
30	Query	Request for Extension of timelines
	Reply to query	Reply same as Query No 1

Querist No.8		
31	Query	<p>The timelines provided for the conduct of the auction process are appears to be stringent as all the 234 cities where new frequencies have been put up for auction are virgin cities. These cities were never explored in identifying the potential revenue generation prospects as no precedents are available in these markets. To ensure a fair and effective auction, it might be beneficial to consider extending the timelines. This would allow stakeholders to adequately assess the market potential and formulate informed bidding strategies.</p> <p>In view of the same, the timelines for submission of applications to be extended by Two months. Even during the conference, a unanimous request was raised so that the prospective bidders are able to participate with required knowledge to take informed decision.</p>
	Reply to query	Reply same as Query No 1
32	Query	<p>As per the current practices, generally it takes longer time duration of upto 1-2 years to get empaneled with DAVP. Since, most of these cities are non-IRS cities, these stations will ultimately get the minimum rate as stipulated in the DAVP policy. To facilitate a more proactive participation in the bidding process, we propose that successful bidders be empaneled from the date of operationalization. This approach would not only streamline participation but also encourage competition and innovation in these newly explored markets.</p>
	Reply to query	Reply same as Query No 12

33	Query	The mandate of obtaining BECIL approval as provided in Note on Page 26 in Section 6.4 of the NIA seems to have inadvertently added in the NIA document as this requirement of obtaining approval from BECIL is not there in the FM Phase III policy. We would like to submit that in such an event where BECIL is not the system integrator and a third party is the system integrator, to seek approval from BECIL should not be the mandate. This requirement could hinder the operationalization process, as evidenced by past experiences with BECIL besides adding Financial Burden by way of payment of Consultancy charges. As an alternative, we suggest allowing operators to submit self-certifications confirming compliance with all necessary criteria. This approach would streamline the process, reduce delays, and alleviate financial pressures on bidders. Also as requested earlier, we would again request that the mandate of using Prasar Bharti Infrastructure should be removed, even if Prasar Bharti Infra is already present in a concerned city/station. It should be left to the discretion of the successful bidders to do it at AIR facility or some other facility.
	Reply to query	Reply same as Query No 4
Querist No.9		
34	Query	The companies which are registered as MSME units may be exempted from depositing bid money, earnest money, Turnover/Net worth. This is as per Govt of India policy to encourage MSME.
	Reply to query	No exemption to MSME with regard to submission of EMD in ascending e-auction of the Government of India

35	Query	On the page no 26 out of 46 of the NIT-- At the places, where Prasar Bharti is not the LTI provider and BECIL is not the system integrator, submit the details to BECIL for vetting the schematic drawing and specification. In context to all equipments including Transmitter and allied equipment, Antenna, RF Cable, combiner and mounting interface for setting up the CTI,so as to ensure that the Permission holders are in adherence to the stipulated Technical Parameters and Standards given in clause 16 of FM Phase 3 policy conditions dated 25th July 2011 before initiating the procurement process and shall pay such consultancy charges as may be required for that work to BECIL. In the context that role of BECIL may not be mandatory. It will add to the cost.
	Reply to query	Reply same as Query No 4
36	Query	Since Broadcasting was monopoly in the country for long time and FM radio station introduced few years back, not much awareness and education of the masses in this sector. The interested entrepreneurs require guidelines especially. It is suggested that one consultant be deputed in Ministry in the facilitation cell for guidance
	Reply to query	The Application Form contains checklist for submission of documents.The interested applicants may send their queries to fmccl@nic.in
37	Query	There are places which are very very remote and very thinly populated so they may not be viable for anybody in the private sector. Banks may also not finance them. So it is suggested atleast one more category " E" may be created and govt should give more incentives to those backward areas for getting the advantage of scheme to population of that are area.
	Reply to query	No Change

38	Query	In the "A" category, companies with network of more than 10 crore are eligible to bid atleast for one frequency in all the cities and will be eligible to own them. In this way, Monopoly may be created by one group by grabbing one frequency at all the stations. This may not only be in the interest of country but also will be disadvantageous to very small players so some checks are required by the Ministry to avoid Monopoly as well as in National interest. May be not more than one station in one State/UT
	Reply to query	No Change
Querist No.10		
39	Query	6.12 of Application form of section 5 (B) whether we need submit separate BG for each station applied for
	Reply to query	Reply same as Query No 27
40	Query	In 6.12, Application Form in which section we have to mention the name of the station we are applying for.
	Reply to query	There is no requirement to mention the name of city/station for bidding in the application form. Bidder participation will depend upon its network and EMD submitted which will be checked by the auction system itself in each round.
Querist No.11		
41	Query	Which category A, B, C, or D do the following 20 cities fall under and what is the capacity of the transponder/transmitter? A list of cities is given seeking categories of those cities.
	Reply to query	List of 234 new uncovered cities of Batch-III e-Auction are available on MIB's website https://mib.gov.in/sites/default/files/List_234_FM_cities_05.11.2024.pdf

42	Query	We are in the process of forming a new Pvt Ltd company and for the purpose of Net Worth, we seek clarification from you whether the unsecured loans received by the company from the promoters (owners funds) would qualify as Quasi Capital for the purposes of considering it as Share holders/Owners funds (net worth) .
	Reply to query	As per the definition of net worth provided in the Companies Act 2013, Quasi Capital does not form part of the calculation of net worth.

Annexure-A

(Item 12 page 46 of NIA)

**Compliance Statement in respect of NIA dated 14.10.2024 and FM Phase-III
Policy Guidelines dated 25.07.2011 as amended from time to time.**

a) I hereby certify that I have carefully read the Notice No. N-38014/4/2024-FM dated 14.10.2024 and Policy Guidelines on expansion of FM radio broadcasting services through private agencies (Phase-III) dated 25.07.2011 along with all amendments up to date. I undertake to fully comply with the all terms and conditions therein.

b) It is further undertaken that all the clauses have been understood and the (Name of Applicant company) submits compliance towards the same without any exception/deviation.

For (Name of applicant company)

Place:

Date:

(Authorised Signatory)

(Seal)

Annexure- B

(Item 13 page 46 of NIA)

SPECIMEN AFFIDAVIT

(On non-judicial stamp paper)

This is to certify that no person, whether individual or corporate, is acting for or on behalf of or advising more than one bidder/ other than following companies (subsidiaries interconnected etc.) :

For Name of applicant company

Place:

Date:

(Authorised Signatory)

(Seal)

Annexure - C

PB Sites where Land Tower Infrastructure is available		
S.No.	City	States
1.	Alwar	Rajasthan
2.	Banswara	Rajasthan
3.	Baripada	Odisha
4.	Bellary	Karnataka
5.	Belonia	Tripura
6.	Berhampur	Odisha
7.	Betul	Madhya Pradesh
8.	Bijapur	Karnataka
9.	Chandrapur	Maharashtra
10.	Chhindwara	Madhya Pradesh
11.	Chitradurga	Karnataka
12.	Churu	Rajasthan
13.	Faizabad/Ayodhya	Uttar Pradesh
14.	Hassan	Karnataka
15.	Hazaribag	Jharkhand
16.	Hospet	Karnataka
17.	Jagdapur	Chhattisgarh
18.	Jorhat	Assam
19.	Karimnagar	Telangana
20.	Khandwa	Madhya Pradesh
21.	Kothagudem	Telangana
22.	Kurnool	Andhra Pradesh
23.	Ludhiana	Punjab
24.	Mathura	Uttar Pradesh
25.	Nagaon(Nowgang)	Assam
26.	Nagarcoil/Kanyakumari	Tamil Nadu
27.	Nagaur	Rajasthan
28.	Nandyal	Andhra Pradesh
29.	Nizamabad	Telangana
30.	Purnia	Bihar
31.	Raebareli	Uttar Pradesh
32.	Raichur	Karnataka
33.	Sagar	Madhya Pradesh
34.	Sasaram	Bihar
35.	Sawai Madhopur	Rajasthan
36.	Shivpuri	Madhya Pradesh
37.	Sultanpur	Uttar Pradesh