

Radio One Limited B-1, 2nd Floor, Sector - 4, Noida (U.P) 201301, Tel.: 0120 - 6687943. Fax: 0120 - 6687000 www.radioone.in

December 19, 2011

To,
Dr. J. S. Sharma
Chairman
Telecom Regulatory Authority of India
Mahanagar Doorsanchar Bhawan,
Jawahar Lal Nehru Marg,
New Delhi – 110 002

Dear Sir,

Re - TRAI Consultation Paper No. 7/2011 (Chapter II - Reduction of Frequency Gap)

We have verified the Consultation paper issued by your esteemed office and wish to submit our comments which are listed below in detail for your consideration:

1) Para 2.22 (a) - What should be the minimum channel spacing within a license service area for the FM radio channels? Should it be reduced from the current level of 800 KHz, if so, what should be the appropriate minimum channel spacing? Please justify your response with appropriate reasoning. While giving the response, the issues such as the viability and desirability of having more number of channels in the interest of the stakeholders, selectivity of FM receivers available with the consumers (such as mobile handsets, car radios, and other receivers), transmission from a single or multiple transmission setups may please be factored in.

Our Justification - It should not be reduced from the current 800KHZ as the infrastructure is barely coping now. If TRAI embark on this exercise of reducing spacing it will waste a lot of time and there is no guarantee that it will be good for the listener as analogue transmission even at 800khz separation is not efficient. There are many technical problems even now especially as combiners are even now overloaded.



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- 2) Para 2.22 (b) What are the implications of reducing/not-reducing the minimum channel spacing within a license service area?
- Our Justification Implications of reducing will mean new licenses will have 15 years and existing players will have 10. This will kill market share and valuation of existing players. Only way to allow this is if existing players are given co terminus of 15 year license with new players. Only then it's a level playing field. Existing players will determine success or failure of phase 3. It is not likely that many new entrants will be there given the economic slowdown.
- 3) Para 2.22 c) In the event of reduction of minimum channel spacing, from the current level of 800 KHz, should the minimum channel spacing be reduced only in A+ and A category cities or should it be reduced across the country?
- Our Justification It should never be done in A and A+ towns because this is where all existing players have paid the maximum license fees. These are also the most crowded FM markets with challenges even at 800KHZ separation. Again it should be considered only if existing players are allowed 15 year co terminus licenses with new players and Government is willing to bear the cost of the shift to lower channel spacing.
- 4) Para 2.22 d) In case a reduction is proposed in the minimum channel spacing, from the current level, in response to "a)" above, what should be the mode of funding for the modification of transmitting setups?
- Our Justification On financing of transmission set up, history has shown, the player is always subjected to the financial burden and all the Government agencies have caused delays. In the current economic situation and the industry have a negative return on capital not only should the Government bear the expenditure but also guarantee that IT WILL WORK with reduced spacing, failing to do which means the players must be compensated.





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5) Para 2.22 e) Any other relevant issue that you may like to raise or comment upon.

Our Justification - If the channel spacing is done without the co terminus for existing players THERE IS NO LEVEL PLAYING FIELD, existing players will be forced to take legal recourse. Also phase 3 will get delayed as this channel spacing is an issue which will take a long time to resolve technically.

Kindly acknowledge receipt of this letter and let us know if you require any further clarification on any of the above matters.

Thanking you.

Yours truly,

For Radio One Ltd

Vineet Singh Hukmani Managing Director