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PART II

Statutory Notifications (S. R. O.)

GOVERNMENT OF PAKISTAN

PAKISTAN ELECTRONIC MEDIA REGULATORY AUTHORITY  
(PEMRA)

NOTIFICATION

*Islamabad, the 20th November, 2019*

**PEMRA (ELIGIBILITY CRITERIA AND BIDDING PROCEDURE FOR  
SATELLITE TV BROADCAST STATION LICENSING) REGULATIONS  
2014 AS AMENDED IN 2019**

**S.R.O 1670(I)/2019.**—Pakistan Electronic Media Regulatory Authority (PEMRA) in exercise of the powers conferred under Sections 4, 18 and 19 of the PEMRA Ordinance 2002 read with all other enabling provisions of the Ordinance and PEMRA Rules 2009 hereby notifies the PEMRA (Eligibility Criteria and Bidding Procedure for Satellite TV Licensing) Regulations 2014 as Amended in 2019 for information and guidance of the companies interested in applying for grant of licence for satellite TV channels for a period of 15 years:

(3153)

*Price : Rs. 40.00*

[1959(19)/Ex. Gaz.]

**ELIGIBILITY CRITERIA**

1. **Definitions.**—(1) Terms and expressions used herein shall have, unless it appears repugnant to the context or provided otherwise, following meanings:
  - (a) “advertisement” means a set of visual and audio messages for the projection of a product, service, or an idea with the object of propagating sale, purchase or hire of the product, service or idea for creating other related effects;
  - (b) “annual fee” means the fee mentioned in column (4) of the table contained in Schedule-B or as may be determined by the Authority from time to time;
  - (c) “Annual Gross Advertisement Revenue (AGAR)” means total revenue receipts from advertisements in one year before deduction of expenses and liabilities;
  - (d) “application form” means the application form as contained in **Schedule-A**;
  - (e) “applicable licence fee” for the respective licence means:
    - i. the base price mentioned in **Schedule-B**, where bidding is not held; or
    - ii. the highest bid, where bidding is held;
  - (f) “Authority” means the Pakistan Electronic Media Regulatory Authority (PEMRA) established under section 3 of the Ordinance;
  - (g) “base price” for respective category of licence shall be as provided in the **Schedule-B**;
  - (h) “broadcast station” means physical, technical and software infrastructure for the operation of radio or television and also includes satellite uplinking from ground, repeaters and all such other accessories;
  - (i) “Channel” means the set of frequencies that a broadcast station occupies for broadcasting;
  - (j) “Code” means the code of conduct for electronic media prescribed by the Authority;

- (k) “company” means a company as defined in the Companies Ordinance 1984 (XLVII of 1984);
- (l) “copyright” means copyright as defined in the Copyright Ordinance 1962 (XXXIV of 1962);
- (m) “foreign company” means a company or body corporate organized, and registered under the laws of a foreign government;
- (n) “foreign content” means the content that is produced under the creative control of foreigners, foreign company or foreign broadcaster;
- (o) “foreign broadcasting service” means a broadcasting service which is uplinked from outside Pakistan and is down linked / received in Pakistan;
- (p) “frequency” means the frequency of the electromagnetic waves measured in Hertz;
- (q) “licence” means a licence issued by the Authority to establish and operate a broadcast media or distribution service;
- (r) “licensee” means a person to whom the Authority has issued a licence;
- (s) “Ordinance” means the Pakistan Electronic Media Regulatory Authority Ordinance, 2002(XIII of 2002) as amended from time to time;
- (t) “satellite TV” means broadcast of content through satellite for reception on television;
- (u) “subscriber equipment” means equipment installed at subscriber’s premises for receiving the television signal.

(2) Words and phrases used but not defined herein, unless the context otherwise requires, shall have the meanings assigned to them in the Ordinance, the rules and regulations made thereunder.

## 2. **Who May Apply**

- i. Any company registered under Companies Ordinance 1984 having paid up capital of not less than Rs.50 million can apply for a satellite TV channel licence. In the event, the company is applying

for more than one licence, or already holds a satellite TV licence, the paid up capital should be enhanced by Rs. 20 million for each additional licence.

- ii. The applicant company must not be holding, directly or indirectly, a distribution service licence (except landing rights permission).
- iii. Maximum number of satellite TV licences that a person can hold, directly or indirectly, is four. Therefore, those applicant companies who are already holding four satellite TV channel licences, directly or indirectly, are not eligible to apply.
- iv. The management, control and majority shareholding of the applicant company must vest in the local nationals<sup>1</sup>.
- v. The object clause of the applicant company shall allow entry into the business of electronic media or satellite TV.
- vi. The applicant company or any of its directors or shareholders must not be defaulter of PEMRA, any financial institution, tax authorities or Government of Pakistan or any provincial/regional government.
- vii. The applicant company or any of its directors or shareholders must not have been declared insolvent.
- viii. The applicant company must be in compliance with the relevant provisions of the PEMRA Ordinance 2002, PEMRA Rules 2009, Regulations made thereunder and as amended from time to time and licence terms & conditions.
- ix. The applicant company shall undertake to abide by the bidding procedure.

### 3. **Ineligibility for Grant of Licence**

A licence shall not be granted to:

- (a) a person who is not a citizen of Pakistan or resident in Pakistan;
- (b) a foreign company organized under the laws of any foreign government;

<sup>1</sup>Former Sub-Regulation 2(iv) omitted by the PEMRA (Eligibility Criteria and Bidding Procedure for Satellite TV Licensing) Regulations 2014 (as amended in 2019).

- (c) a company the majority of whose shares are owned or controlled by foreign nationals or companies whose management or control is vested in foreign nationals or companies; or
  - (d) any person funded or sponsored by a foreign government or organization.
4. **Documents Required.**—The applicant company shall submit following documents in the same sequence:
- (a) Duly filled application form (**Schedule-A**).
  - (b) Board Resolution of the applicant company authorizing filing of the application for grant of satellite TV licence.
  - (c) Certificate of Incorporation from SECP, Statutory Returns and Forms regarding ownership/management of the applicant company (e.g. Form-A, Form 29 and Form 3 etc.).
  - (d) Names and detailed CVs of the directors and shareholders of the applicant company.
  - (e) Attested copies of CNICs or Passports of the directors and shareholders of the applicant company.
  - (f) Relevant experience certificates of the directors and shareholders of the applicant company.
  - (g) Details of other businesses of the applicant company alongwith total assets, annual turnovers and annual reports of the company, (if any).
  - (h) Audit reports for last two years of the applicant company where applicable.
  - (i) Copy of NTN certificate of the applicant company and its directors and shareholders.
  - (j) NOC (No Objection Certificate) from FBR for tax clearance and undertaking on stamp paper for tax clearance.
  - (k) Income tax returns of the applicant company for last two years. In case of a new company the income tax returns of the directors and shareholders of the company may be provided.

- (l) The CIB (Credit Information Bureau) reports of the applicant company and its directors and shareholders or undertaking on stamp paper for non-default.
- (m) Affidavit of applicant company that neither the applicant company nor any of its directors or shareholders are defaulter of PEMRA, any financial institution, or government and tax authorities (**Schedule-C**).
- (n) Affidavit of applicant company that it shall abide by all PEMRA Laws, the Rules, Regulations, Code of Conduct, licence terms & conditions and directions issued by the Authority from time to time (**Schedule-D**).
- (o) Affidavit of the applicant company that neither the applicant company nor any of its directors and shareholders are directly or indirectly, holding a distribution service licence (except landing rights permission) (**Schedule-E**).
- (p) Affidavit that the applicant company is in compliance with Section 25 of the PEMRA Ordinance 2002 (**Schedule-F**).
- (q) Affidavit that the applicant company or any of its directors and shareholders has never been black listed (**Schedule-G**).
- (r) Demand Draft or Pay Order in favor of PEMRA amounting to Rs. 200,000 (Rupees two hundred thousand) as application processing fee which shall be non-refundable.
- (s) Technical feasibility containing information as per checklist given in **Schedule-H**.
- (t) Financial feasibility containing information as per checklist given in **Schedule-I**.
- (u) Undertaking from the applicant company that it shall abide by the bidding procedure as notified by the Authority.

5. **Pre-Qualification of Applicant companies and bidding Process.**

- i. The applicant companies shall be pre-qualified as per the above criteria on the basis of the documents/information provided by them. Incomplete applications may not be entertained.
- ii. Pre-qualification of applicant company, however, shall not guarantee grant of licence. The licence shall be granted to the successful bidder only after fulfillment of all legal requirements.

- iii. Pre-qualification does not include security clearance, public hearing, content presentation and provincial concurrence. These shall be done after completion of the bidding process and before grant of the licence.
- iv. The Authority reserves the right to seek any information and clarification from any applicant company within such time as the Authority may deem fit. If the applicant company fails to provide such information & clarification its application may be rejected without being processed further.
- v. The pre-qualified applicant companies shall be invited to participate in the bidding. The applicant company shall participate in the bidding as per bidding procedure provided in **Schedule-J**.

6. **Licence categories:**

- i. The satellite TV channel licences shall be granted in the following commercial categories:
  - (a) News & Current Affairs;
  - (b) Entertainment;
  - (c) Sports;
  - (d) Education;
  - (e) Agriculture;
  - (f) Health;
  - (g) Regional Language.
- ii. All the above licence categories are for commercial satellite TV channels which shall be allowed to carry advertisements only in accordance with the PEMRA Ordinance, Rules & Regulations, licence terms & conditions as amended from time to time.
- iii. The categories are self-explanatory and the content to be carried by the respective channel shall be in accordance with the respective category and program mix approved by the Authority.
- iv. The successful applicant companies shall give an elaborate content presentation to PEMRA highlighting the main features and layout of the programs to be carried and aired on the respective channel.

- v. PEMRA reserves the right to approve or reject the proposed content or direct the applicant company to make necessary changes in the content layout as per PEMRA Laws. The applicant company shall be bound to amend the content accordingly.

7. **Reservation of rights:**

- i. If at any time either before grant of licence or after grant of licence, it comes to the notice of the Authority that the applicant company or any of its representative had provided any false or misleading statement/information, advertently or inadvertently, the application shall be rejected immediately and the earnest money shall be forfeited; and if the licence has already been issued, the licence shall be revoked and security deposit and other dues deposited by the applicant company or licensee shall be forfeited.
- ii. The profiles of successful bidder companies will be referred to the Ministry of Interior for security clearance. The licence will be granted only after fulfillment of all legal requirements including receipt of NOC from the Ministry of Interior, successful provincial consultation, content presentation, public hearing and compliance with the relevant **laws, rules & regulations** prevalent at the time of grant of licence and payment of applicable licence fee & security deposit.
- iii. The schedule for payment of applicable licence fee shall be as determined by the Authority. In case of non-compliance with the schedule of payment given by the Authority, the earnest money and all other sums deposited by the applicant company shall be forfeited.
- iv. Any subsequent request for change in category after grant of licence shall not be entertained. The licensee shall be obliged to air content only as per the respective category and approved programming mix.
- v. The Authority reserves the right to revise the annual fee in accordance with the PEMRA Ordinance 2002.
- vi. In case the successful bidder fails to fulfill the legal requirements for grant of satellite TV licence, the Authority may reject its application by recording reasons in writing; and the Authority may, in its discretion, grant opportunity of meeting the highest bid price to the second highest bidder or re-bid the licence.

- vii. The Authority may issue determinations for clarification or revision of any of the provision of this notification.

**SCHEDULE-A**  
**NON-TRANSFERABLE**  
**Reference No. STV\_\_\_\_\_/2014**  
(for official use only)

**APPLICATION FORM FOR A SATELLITE TELEVISION BROADCAST  
STATION LICENCE**

Please read the following instructions carefully before filling in the Application Form:

- To be submitted in duplicate after printing on A4 paper size;
- Give complete answers, use extra sheets if required, attach copies of other relevant documents, if required, to illustrate an answer;
- Use the typescript or write in black ink in CAPITAL letters;
- Please attach documentary evidence of your authorization to act on behalf of the applicant company;
- One Form can be used for only one category;

**To,**  
**The Pakistan Electronic Media Regulatory Authority,**  
**Islamabad.**

1. 1.1 Name of applicant company: \_\_\_\_\_
- 1.2 Full Name & title of CEO: \_\_\_\_\_
- 1.3 CNIC No. of CEO: \_\_\_\_\_
- 1.4 Applicant company's Registration No.: \_\_\_\_\_
- 1.5 National Tax No.: \_\_\_\_\_
- 1.6 Date of Incorporation: \_\_\_\_\_

1.7 Business Address: \_\_\_\_\_

1.8 Mailing Address [If different from above]: \_\_\_\_\_

1.9 Telephone No.: \_\_\_\_\_ Mobile No.: \_\_\_\_\_

1.10 Fax No.: \_\_\_\_\_ E-mail: \_\_\_\_\_

1.11 Website: \_\_\_\_\_

1.12 Proposed Location of broadcast station: \_\_\_\_\_

1.13 Addresses of existing or proposed overseas offices:

\_\_\_\_\_  
\_\_\_\_\_

2. **Category of licence** (mark only one)

- ☐ News & Current affairs    ☐ Entertainment ☐ Education ☐ Sports  
☐ Agriculture    ☐ Health ☐ Regional Language

3. **Duration of Licence:** Fifteen Years

4. **Projected date of first transmission:** \_\_\_\_\_

5. **Non-refundable application processing fee:** Rs. 200,000/- (Two hundred thousand)

Bank Draft/Pay Order No.: \_\_\_\_\_ Dated \_\_\_\_\_ (attached in original) drawn on: \_\_\_\_\_

6. **Vision and policy of the channel** (min 2000 words): [must be attached with the application]

6.1 **Proposed language of the programmes:**

☐ Urdu ☐ English ☐ Regional / Any other (please specify): \_\_\_\_\_

6.2 Transmission- Hours/Minutes per day: \_\_\_\_\_

7. **Organizational set-up:**(Organogram of the company to be submitted on separate sheet)

7.1 **Names and addresses of the ultimate beneficiaries of the Company/ Organization:**

| Sr. No. | Name, address, CNIC Number |
|---------|----------------------------|
|         |                            |
|         |                            |
|         |                            |
|         |                            |
|         |                            |
|         |                            |
|         |                            |
|         |                            |
|         |                            |
|         |                            |
|         |                            |

8. **Technical Information:**

8.1 **Proposed location of broadcast station:** \_\_\_\_\_

8.2 **Information of the Proposed Satellite:**

| Name of Satellite & Transponder | Please check the appropriate boxes   |                                   |                                  |                                       |
|---------------------------------|--------------------------------------|-----------------------------------|----------------------------------|---------------------------------------|
|                                 | <input type="checkbox"/> Encrypted   | <input type="checkbox"/> Analogue | <input type="checkbox"/> C-Band  | <input type="checkbox"/> Free-To-Air  |
|                                 | <input type="checkbox"/> Unencrypted | <input type="checkbox"/> Digital  | <input type="checkbox"/> KU-Band | <input type="checkbox"/> Subscription |
|                                 | <input type="checkbox"/> Compressed  |                                   | <input type="checkbox"/> KA-Band |                                       |

8.3 **Proposed Up-linking Facility:** (Details of equipment, make, location, frequency, Satellite Footprint with EIRP)

\_\_\_\_\_

\_\_\_\_\_

9. **Funding Details:** \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

10. **Socio-economic Impact:** (Attach a note of approx. 2000 words on the social & economic benefits and objectives intended to be achieved by the project)

11. **Financial & Technical Feasibilities:** (attach details as per schedule-H & I)

**UNDERTAKING**

I/We \_\_\_\_\_, the applicant company do hereby declare that the above facts are correct in all respects and nothing has been concealed or misrepresented therein. I/We also undertake that:

- (1) I/we shall respect the sovereignty, security, integrity and ideology of the Islamic Republic of Pakistan;
- (2) I/we shall respect the national, cultural, social and Islamic values and the principles of public policy as enshrined in the Constitution of the Islamic Republic of Pakistan and to safeguard the ideology of Pakistan;
- (3) I/we have read and understood the eligibility criteria and bidding procedure and shall strictly comply with the same in letter and spirit;
- (4) I/we, if granted a licence, shall comply with PEMRA Ordinance, Rules and Regulations made thereunder, the Code of Conduct, licence terms & conditions and instructions as notified by the Authority from time to time and pay licence fee, annual fee including such percentage of Annual Gross Advertisement Revenue (AGAR) as may be applicable, security deposit and all such other dues as notified by the Authority;
- (5) I/we, if granted a licence, shall broadcast programmes in the public interest specified by the Federal Government or the Authority in the manner indicated by the Government or, as the case may be, the Authority;
- (6) I/we shall abstain from broadcasting any programme or advertisement in violation of copyrights or other intellectual property rights;
- (7) I/we shall obtain NOC from PEMRA before import of any transmitting apparatus for broadcasting as required under Section 20 of the PEMRA Ordinance 2002;
- (8) I/we shall not sell, transfer or assign any of the rights conferred by the licence without prior written permission of the Authority;
- (9) I/we have provided all documents which are required to be submitted along with the application for STV channel licence and shall provide any further information if and when required by the Authority;

Signature on behalf of Applicant company

Place \_\_\_\_\_

Date \_\_\_\_\_

Reference No.STV/2014

**RECEIPT**

Received Rs. 200,000/- through Pay Order/Bank Draft No.\_\_\_\_\_,  
 from\_\_\_\_\_dated\_\_\_\_\_through\_\_\_\_\_  
 today, on\_\_\_\_\_

For  
 Pakistan Electronic Media  
 Regulatory Authority,  
 Islamabad

**SCHEDULE-B**

| S.No. | Categories                | Base Price<br>Rs. in<br>Million | Licences to be<br>auctioned                      | Annual Fee (in Million Rupees)* |
|-------|---------------------------|---------------------------------|--------------------------------------------------|---------------------------------|
|       | (1)                       | (2)                             | (3)                                              | (4)                             |
| 1     | News & Current<br>Affairs | 283.5                           | <b>To be<br/>determined by<br/>the Authority</b> | 1.0 + 5% of AGAR                |
| 2     | Entertainment             | 50.5                            |                                                  | 0.7 + 7.5% of AGAR              |
| 3     | Sports                    | 42.5                            |                                                  | 0.7 + 7.5% of AGAR              |
| 4     | Regional Language         | 102.0                           |                                                  | 0.3 + 5% of AGAR                |
| 5     | Health                    | 42.0                            |                                                  | 0.3 + 5% of AGAR                |
| 6     | Agriculture               | 52.0                            |                                                  | 0.3 + 5% of AGAR                |
| 7     | Education                 | 46.0                            |                                                  | 0.5 + 5% of AGAR                |

\*as amended by the Authority from time to time.

AGAR = Annual Gross Advertisement Revenue

**SCHEDULE-C****NON-DEFAULTER STATUS AFFIDAVIT**

(TO BE ATTESTED BY OATH COMMISSIONER)

I, \_\_\_\_\_ S/o \_\_\_\_\_  
 (Designation) \_\_\_\_\_ of M/s \_\_\_\_\_  
 (hereinafter referred as “the applicant company”) do hereby solemnly state and  
 affirm on oath that neither the applicant company nor any of its CEO, Directors  
 and shareholders are defaulter of PEMRA, any financial institution, tax  
 authorities or the Government of Pakistan or any provincial and Local  
 Government.

DEPONENT

**VERIFICATION:**

I, the above named deponent do hereby solemnly affirm on oath that the contents of the above affidavit are correct and true to the best of my knowledge and nothing has been concealed therein.

DEPONENT

**SCHEDULE-D****AFFIDAVIT FOR COMPLIANCE**

(TO BE ATTESTED BY OATH COMMISSIONER)

I,

\_\_\_\_\_ S/o \_\_\_\_\_  
(Designation) \_\_\_\_\_ of M/s \_\_\_\_\_  
(hereinafter referred as “the applicant company”) do hereby solemnly state and affirm on oath that the applicant company and its CEO, Directors and shareholders shall abide by the PEMRA Ordinance 2002, the Rules, Regulations, licence terms & conditions, guidelines, eligibility criteria, bidding procedure, Code of Conduct made thereunder and as amended from time to time as well as the directions issued by the Authority from time to time. I also undertake to pay the applicable licence fee, annual fee including the percentage of the gross advertisement revenue as provided in the Schedule-B of the eligibility criteria and bidding procedure, security deposit or as amended by the Authority from time to time.

DEPONENT

**VERIFICATION:**

I, the above named deponent do hereby solemnly affirm on oath that the contents of the above affidavit are correct and true to the best of my knowledge and nothing has been concealed therein.

DEPONENT

**SCHEDULE-E****AFFIDAVIT - CROSS MEDIA OWNERSHIP**

(TO BE ATTESTED BY OATH COMMISSIONER)

I,

\_\_\_\_\_ S/o \_\_\_\_\_  
(Designation) \_\_\_\_\_ of M/s \_\_\_\_\_  
(hereinafter referred as “the company”) do hereby solemnly state and affirm on oath that neither the applicant company nor any of its CEO, Directors or shareholders directly or indirectly own, operate or manage any distribution

service network which may disqualify the company for getting a broadcast media licence in terms of Rule 13 of the PEMRA Rules 2009.

DEPONENT

**VERIFICATION:**

I, the above named deponent do hereby solemnly affirm on oath that the contents of the above affidavit are correct and true to the best of my knowledge and nothing has been concealed therein.

DEPONENT

**SCHEDULE-F**

**AFFIDAVIT - FOREIGN MEDIA OWNERSHIP**

(TO BE ATTESTED BY OATH COMMISSIONER)

I, \_\_\_\_\_ S/o \_\_\_\_\_  
(Designation) \_\_\_\_\_ of M/s \_\_\_\_\_  
(hereinafter referred as “the applicant company”) do hereby solemnly state and affirm on oath that the applicant company is not ineligible for grant of licence in terms of Section 25 of the PEMRA Ordinance 2002 as amended from time to time or as provided in the eligibility criteria and bidding procedure.

DEPONENT

**VERIFICATION:**

I, the above named deponent do hereby solemnly affirm on oath that the contents of the above affidavit are correct and true to the best of my knowledge and nothing has been concealed therein.

DEPONENT

**SCHEDULE-G**

**AFFIDAVIT FOR NO BLACKLISTING STATUS**

(TO BE ATTESTED BY OATH COMMISSIONER)

I, \_\_\_\_\_ S/o \_\_\_\_\_  
(Designation) \_\_\_\_\_ of M/s \_\_\_\_\_  
(hereinafter referred as “the applicant company”) do hereby solemnly state and affirm on oath that neither the applicant company, nor any of its Directors and shareholders have ever been blacklisted by PEMRA or any organization of Government of Pakistan.

DEPONENT

**VERIFICATION:**

I, the above named deponent do hereby solemnly affirm on oath that the contents of the above affidavit are correct and true to the best of my knowledge and nothing has been concealed therein.

DEPONENT

**SCHEDULE-H**

**CHECKLIST FOR TECHNICAL FEASIBILITY OF THE APPLICANT  
COMPANY**

| S. No | Details                                                                                       | Provided | Not provided |
|-------|-----------------------------------------------------------------------------------------------|----------|--------------|
| 1     | Name of satellite to be used along with its footprint                                         |          |              |
| 2     | Technical parameters e.g. symbol rate, polarization, FEC, Uplink & Downlink frequency         |          |              |
| 3     | Detail of satellite bandwidth (in MHz) to be leased                                           |          |              |
| 4     | Equipment / technology to be used e.g. DVB-S/DVB-S2, compression technique e.g. MPEG-2/MPEG-4 |          |              |
| 5     | Whether the channel will be Free to Air (FTA). If encrypted, details of encryption            |          |              |
| 6     | Details of studio equipment                                                                   |          |              |
| 7     | Details of transmission, modulation type and equipment                                        |          |              |
| 8     | Details of uplink equipment, Block Up Converter (BUC) and High Power Amplifier (HPA)          |          |              |
| 9     | Number of DSNGs in case of a news channel                                                     |          |              |
| 10    | Editing facilities, time delay mechanism and equipment                                        |          |              |
| 11    | Proposed location of broadcast station and uplink facility                                    |          |              |
| 12    | Details of In-house monitoring mechanism                                                      |          |              |
| 13    | Details of remote access equipment (if any) & purpose                                         |          |              |

**SCHEDULE-I****CHECKLIST FOR FINANCIAL FEASIBILITY OF THE APPLICANT  
COMPANY**

| <b>S. No</b> | <b>Details</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>Provided</b> | <b>Not<br/>provided</b> |
|--------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|-------------------------|
| 1            | Financial feasibility study of the project: <ol style="list-style-type: none"> <li>Project cost with break-up.</li> <li>Capital Equipment along with cost</li> <li>Sources and uses of Funds statement</li> <li>Break Even analysis</li> <li>Payback period</li> <li>Debt to Equity Ratio</li> <li>Pro Forma Income Statement clearly showing sources of revenues i.e. subscription, advertisements and projected operating&amp; non-operating expenses.</li> <li>Pro Forma Balance Sheet</li> <li>Pro Forma Cash Flow Statement</li> </ol> |                 |                         |

**SCHEDULE-J****BIDDING PROCEDURE****1. General**

- Bidding will be held under Section 19 of PEMRA Ordinance 2002, when the number of applications exceeds the number of satellite TV channel licences to be granted for respective category.
- The bidding process shall be conducted by the Bidding Committee constituted by the Authority.
- Bidding shall be held at such time, place and date as determined by the Committee separately for respective category of the licence.
- Only authorized representative of the pre-qualified applicant companies (specimen for authority letter is given in **Schedule-K**) shall be allowed to participate in the bidding process and give bids on behalf of the companies.
- Bids shall be made on the form provided in **Schedule-L** of this bidding procedure.

- vi. The bidding shall consist of following two rounds:  
**First Round:** Through Sealed Bids.  
**Second Round:** Through open outcry.
- vii. The bidding proceedings shall be video recorded by PEMRA.

2. **First Round: Sealed Bids**

- i. The Authority shall invite the shortlisted applicant companies to submit the sealed bids for the satellite TV broadcast station licence.
- ii. Base price for various categories of satellite TV broadcast station licences is given in the **Schedule B**.
- iii. Shortlisted applicant companies shall submit **Earnest Money** not less than **15%** of the Base Price for the respective category of licence in the form of Pay Order or Demand Draft drawn on PEMRA (valid for a minimum period of ninety days) along with the sealed bids.
- iv. Bids without or less than required amount of earnest money shall be rejected.
- v. Bid offered less than the base price shall not be accepted.
- vi. The sealed bids shall be dropped in the box reserved for this purpose along with Earnest Money in the presence of the Bidding Committee.
- vii. No subsequent addition, deletion or alteration in the sealed bid shall be acceptable.
- viii. The bids shall be given in Pak Rupees.
- ix. Conditional bids, having **‘ifs’ and ‘buts’**, shall out-rightly be rejected.
- x. The bidders who have successfully complied with the above conditions shall be considered as qualified bidders for the second round.
- xi. The Bidding Committee shall open sealed bids in the presence of authorized representatives of the bidders. The Bidding Committee shall announce:
  - a. The Offered /Quoted bid of each bidder;

- b. Amount of earnest money
- c. The Highest Bid Price; and
- d. The names of Qualified Bidders for the Next Round

3. **Second Round: Open Outcry**

- i. The qualified bidders of the first round shall be eligible to participate in the second round (open outcry).
- ii. The highest bid amount concluded in the first round for a particular category of satellite TV licence shall be the base price for open outcry bidding for that category in the second round.
- iii. In case only one bid is received for satellite TV broadcast station licence in a particular category, the bidder shall be considered successful only if the bid amount is not less than the base price for that particular category of licence and provided the bidder fulfills all other conditions of bidding process.
- iv. To make a bid, the minimum incremental value for next higher bid shall be multiple of Rs. 500,000 (Rupees Five Hundred Thousand).
- v. Each eligible bidder shall raise hand before offering the bid.
- vi. Each bidder shall cry-out his bid and shall write on the prescribed form (Schedule-L) the final bid amount offered by the authorized representative of the company and after signing it, hand it over to the Bidding Committee who shall announce it.
- vii. Authorized Representative of a bidder shall not be allowed to participate in any activity on behalf of any other bidder during the bidding process.
- viii. The open outcry session shall continue till the time the highest bid is not further contested.
- ix. Each highest bid will get a maximum time of three minutes comprising three announcements each of one minute duration. However, each bidder may once be granted a timeout not exceeding ten minutes, if requested.

- x. When the bid offered by a bidder is not contested within given time, the Bidding Committee shall announce the highest bid and bidder.
- xi. The highest bidder in a particular category shall be considered successful bidder and the highest bid shall become 'Applicable Licence Fee (ALF)' for respective category of licence.
- xii. The Earnest Money of the successful bidder or bidders, as the case may be, for any particular category shall be adjusted towards the applicable licence fee (ALF) while the Earnest Money of the unsuccessful bidders shall be released within thirty (30) working days of the bidding date without bearing any liability by the Authority towards interest, indexation, inflation etc.
- xiii. The successful bidder for a particular category shall deposit the difference between the earnest money already deposited and 15% of the 'Applicable Licence Fee' as balance earnest money within fifteen (15) working days from the date of bidding. The mathematical representation is as follows:

Balance Earnest Money to be deposited within 15 days After Bidding = 15% of the Applicable Licence Fee "minus" Earnest Money (15 % of Base Price) already deposited
- xiv. The successful bidder for a particular category shall be obliged to deposit the balance 'Applicable Licence Fee' alongwith Security Deposit equal to 3% of the Applicable Licence Fee (which shall be refundable or adjustable in annual fee on the request of licensee after successful operation of one year) and advance tax applicable as per policy of the Government of Pakistan within thirty (30) days as follows<sup>2</sup>:
  - a. Upfront: 100% payment of the balance of the applicable licence fee as a one-time upfront amount. OR
  - b. Instalments: an upfront payment of the balance 50% (i.e. 50-15%) of the applicable licence fee, and the remaining amount in 10 years in 10 equal annual instalments with a cumulative mark-up rate at the KIBOR applied from the period of the date the upfront payment is due to the payment date. The successful bidders may pay the remaining balance of the Applicable License Fee at any time in advance of the

<sup>2</sup>Inserted through amendment in PEMRA (Eligibility Criteria and Bidding Procedure for Satellite TV Licensing) Regulations-2014 (as amended in 2019).

scheduled instalment, along with payment of cumulative mark-up up to such date of payment.

- xv. In case the successful bidder fails to meet the requirement of clause (xiii) or (xiv), he shall be considered in-eligible for grant of licence and the deposited earnest money and all other amounts paid in this regard shall be forfeited and the applicant company and its directors and shareholders shall be black listed for future licensing.
- xvi. The highest bidders for any particular category of satellite TV licence shall be allowed to withdraw their bid after lapse of two years from the date of bidding. No claim whatsoever shall be entertained /maintainable after this period.
- xvii. The satellite TV broadcast station licences shall be awarded to successful bidders after completion of all the legal requirements, including security clearance from the Ministry of Interior, Consultation with the Provincial Government where the Station is to be established, Public Hearing, content presentation, approval of the Authority and payment of licence fee and security deposit.
- xviii. In case of any dispute during the bidding process, decision of the Bidding Committee shall be final.

#### 4. **Disqualification**

Without prejudice to any other remedy that may be available to it, the Authority reserves the right, on the recommendation of the Bidding Committee, to disqualify any bidder and forfeit its deposited amounts, for any of the following reasons:

- i. If a Successful Bidder abandons the bid or fails to deposit the balance amount of earnest money equal to 15% of the Applicable Licence Fee within fifteen (15) days of the bidding date.
- ii. Inaccuracy or misrepresentation of any fact in any of the documents & bid.
- iii. Indiscipline, disruption during the bidding process, or indulgence or attempts to influence the bidding outcome, or delay the process.
- iv. Any "corrupt practice" including the offering, giving, receiving or soliciting of anything of value to influence any official of the Authority in relation to the bidding process.

- v. Any fraudulent practice or misrepresentation of facts in order to influence the results of the bidding process.

5. **Reservation of Rights**

- i. The Authority reserves the right to reject any or all of the bids after recording reasons in writing.
- ii. The Authority reserves the right, in its sole discretion, to take any action, which it deems necessary to ensure that the bidding process occurs in a fair, open and transparent manner, in accordance with law and discourage collusion and destructive bidding that may block the entry of potential bidders into the bidding process.
- iii. No suit, prosecution or other legal proceeding shall lie against the Authority or any member of Bidding Committee or employee of the Authority in respect of anything done or intended to be done by the Authority in good faith in connection with bidding process.

**SCHEDULE-K**

**AUTHORITY LETTER**

*(To be submitted on Stamp Paper of Rs. 500, duly attested by Oath Commissioner, accompanied with Board Resolution)*

M/s \_\_\_\_\_ (the Applicant company)  
 hereby authorize Mr./Ms. \_\_\_\_\_ S/o/ D/o \_\_\_\_\_  
 holding CNIC No. \_\_\_\_\_ Designation: \_\_\_\_\_  
 of the applicant company to submit licence application for grant of satellite TV  
 licence for \_\_\_\_\_ category, to PEMRA and make any statement or  
 give any undertaking on behalf of the company.  
 Mr./Ms. \_\_\_\_\_, is fully authorized to  
 participate in the bidding process and to take such on-the-spot decision or give  
 bids which shall be binding on the Applicant company.

\_\_\_\_\_  
 (the Applicant company)

\_\_\_\_\_  
 (Attorney)

Designation \_\_\_\_\_

Seal/Stamp of the Applicant company

Date: \_\_\_\_\_

Witnesses:

1. Name:\_\_\_\_\_ CNIC No.\_\_\_\_\_ Signature \_\_\_\_\_

2. Name:\_\_\_\_\_ CNIC No.\_\_\_\_\_ Signature \_\_\_\_\_

**SCHEDULE-L**

**BID FORM**

Name of Bidder /Applicant company\_\_\_\_\_

Name of Authorized Representative \_\_\_\_\_

Bid Amount in Figures Rs.\_\_\_\_\_

Bid Amount in Words Rs.\_\_\_\_\_

\_\_\_\_\_

I solemnly declare that this bid for the grant of satellite TV broadcast station licence is unconditional, irrecoverable and is valid for two years from the date of its submission and the bidder/applicant company undertakes to comply with all other conditions of the bidding process.

\_\_\_\_\_

**Signature of Authorized Representative of Applicant Company**

Date: \_\_\_\_\_

FAKHAR-UD-DIN MUGHAL,  
*Secretary to the Authority.*