

# THE INDIAN PERFORMING RIGHT SOCIETY LIMITED

## RDB: RADIO BROADCAST

### 1. SCOPE OF TARIFF

This Tariff applies to the Broadcast/Communication to the Public/ the Performance of music (Musical and Literary Works) through an AM/FM Radio Station.

### 2. GENERAL CONDITIONS

This Tariff is subject to the society's General Conditions Applicable to Tariffs and Licenses.

### 3. ROYALTY RATES

The License Fee / Royalty to be paid by the Radio Broadcaster (Licensee) for per Radio Channel per City shall be the Percentage of Gross Revenue payable as per Sub-Clause "A" below or the Minimum Annual Royalty / License Fee as per Sub-Clause "B" below whichever is higher.

#### (A) ROYALTY RATE AS OF PERCENTAGE OF GROSS REVENUE

Royalty/License fee shall be **05% of Gross Revenue** subject to a minimum annual royalty/licensee fee as per 3(B)

#### (B) THE MIMUMUM ANNUAL ROYALTY

<b>Minimum Annual Royalty/License Fee (exclusive of all taxes)</b>	
<b>City Category</b>	<b>Minimum Annual Royalty/License Fee (Rs.)</b>
A+	17,00,000/-
A	12,00,000/-
B	10,00,000/-
C	7,00,000/-
D	4,50,000/-

Notwithstanding anything contained in Sub-Clause "A" the Licensee shall pay the Minimum Annual Royalty / License Fee per Radio Channel per City as applicable irrespective of the Gross Revenue

ILLUSTRATION: For calculation of Total Annual Royalty/License fee for a radio channel in a city following illustration can be taken into consideration:

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### **For a Radio Channel located in a city which belongs to Category A+:**

1. Minimum annual royalty/license fee=Rs.17,00,000/-
2. Gross revenue of a Radio Channel as declared to GOI =Rs.3,50,00,000/-
3. Applicable Rate of gross revenue = 5%
4. License fee based on gross revenue = 3,50,00,000 \* 5%= Rs.17,50,000/-
5. Total Annual License Fee (either minimum annual license fee (1) or license fee based on gross revenue (4) whichever is greater) = Rs.17, 50,000/-
6. Difference of License fees based on gross revenue subject to minimum annual royalty/license fee (if excess) payable = Rs.50,000/- (Rupees Fifty Thousand only)

Any overflow of royalty calculated as per 3(A) will be due after the recovery of the annual minimum royalty as specified in 3(B).

In similar way Total Annual Royalty/License fee for each radio channel belonging to other city category can be calculated.

### **4. SPECIFIC CONDITIONS:**

- a. It is clarified that this Tariff concerns Radio Broadcast only and does not cover Network or Re-Broadcast.
- b. Notwithstanding anything contained in Sub-Clause 3 (A) the Licensee shall pay the Minimum Annual Royalty / License Fee per Radio Channel per City as applicable irrespective of the Gross Revenue
- c. A+ Category Cities shall include Metro Cities of Delhi, Mumbai, Kolkata, Chennai
- d. City Category classification shall be the same as per government norms existing for the time being in force as amended from time to time.
- e. Gross Revenue shall have the same meaning as defined in Phase II Tender Document dated 21<sup>st</sup> September 2005 as modified from time to time (Gross Revenue will be similar to as declared to the Government of India (GOI) for revenue sharing)
- f. Free Air time of 240 seconds per day of public support announcements with regards obtaining license for play of music (Musical and Literary Works) from its Radio Channel.
- g. The Minimum Annual Royalty / License Fee per Radio Channel per City as Specified in Clause 3B shall be paid in advance irrespective of whether Clause 3A or Clause 3B is applicable to the Licensee.
- h. This Tariff is not applicable to re-transmission/re-broadcast/simulcast of a Radio Station broadcast/channel/signal on Internet, DTH, Cable TV, IPTV platform and on/by Mobile/Cellular network by a Telecom / Mobile/Cellular Network Operator and billing of the services is by the Mobile/Cellular Network Operator including 2G, 3G, 4G services which shall be subject to appropriate separate licensing under a separate tariff as per the applicability.

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### 5. **APPLICABILITY OF TARIFF**

- a. This Tariff comes into force from the 1<sup>st</sup> April 2018 and applies to all Royalties falling due on or after that date.
- b. Non-Compliant Licensees who seek to regularize past infringements / violations / breach of Society's rights and licenses (including non-compliance with agreements, usage without license, vexatious litigation, etc.), a penalty of 30% over the existing tariff shall be applied at the discretion of Society.
- c. Royalty rate shall be adjusted to reflect the increase, if any, in the general price level (inflation), as measured by the Consumer Price Index. Such adjustment in royalty rate can be yearly or cumulative over a period of time.
- d. All Royalties are exclusive of all applicable GST/ taxes / levies