

महाराष्ट्र MAHARASHTRA

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प्रधान मुद्रांक कार्यालय, मुंबई
प.मु.वि.क ८००००९५
- 6 OCT 2017
सक्षम अधिकारी

Deed of Partial and Limited Transfer of non-Physical Rights in Copyright of Sound Recordings

BETWEEN

PHONOGRAPHIC PERFORMANCE LIMITED, a Company registered under the Companies Act, 1956 having its Registered Office at, Crescent Towers, 7th Floor, B-68 Veera Estate, off New Link Road, Andheri (W), Mumbai - 400 053, hereinafter referred to as "PPL" (which expression shall unless repugnant to the context, include its successors and assigns) of the ONE PART.

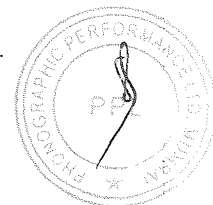
AND

SPI Music Pvt. Ltd. (Think Music), and having its registered/main office at No. 25, Mamatha Complex, 5th Floor, Whites Road, Royapettah, Chennai 600014 hereinafter referred to as "The Music Label" (which expression shall unless repugnant to the context include its successors and assigns in business) of the OTHER PART



S. V. Srinivas Reddy

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WHEREAS PPL is registered under the Companies Act, 1956 as a company without share capital and limited by guarantee, and is not, as of date, registered u/s 33 of Copyright Act.

AND WHEREAS recently the Music Label has voluntarily become a Member (i.e. member without shares) of PPL.

AND WHEREAS the Music Label is of the considered opinion that PPL has developed good infrastructure, technical competence and professional manpower in non-physical exploitation of sound recordings in modes and mediums such as mobile telephony, public performance, internet etc. and is interested in monetisation of his repertoire.

AND WHEREAS the Music Label is desirous of transferring its rights in the sound recording catalogue ('the Music Catalogue' defined hereafter) vested in and owned/exclusively controlled by the Music Label at present and also in future, in below-specified "non-physical" modes and mediums, in consideration of the proportionate royalty earnings receivable from monetisation and enforcement of the Music Catalogue by PPL, primarily by licensing to various licensees as owner u/s 30 of Copyright Act.

NOW THIS DEED WITNESSETH as follows:-

1. Partial and Limited Transfer of non-Physical Rights in sound recordings exclusively to PPL:

1.1 The Music Label hereby exclusively transfers, for the Territory, its rights in respect of below-listed non-physical modes and mediums (without any limitation as to format or device or style or mechanics or process or method) in its Music Catalogue (of sound recordings) existing and/or future, in favour of PPL for the whole term of copyright and PPL accepts such transfer. The rights transferred are, inter alia, covered under sub-Section 14(e)(i) to (iii) of the Copyright Act. This Deed is an assignment of rights u/s 18 and 19 of Copyright Act. It is clarified that the rights exclusively transferred hereby are on ownership basis, with full rights for monetisation and for enforcement, including by way of legal/court litigation and police authorities.

Rights exclusively transferred in non-physical Modes and Mediums:

- 1.1.1 Public performance/Communication to Public (including but not restricted to 'background' music and events/shows);
- 1.1.2 Storage, embodiment, re-production, adaptation, commercial rental for above purpose.

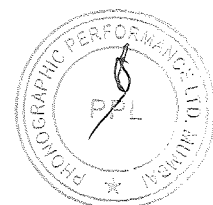
1.2 It is clarified that all rights and interests in and to copyrights in the sound recordings of the "Music Catalogue", save and except for the limited and partial transfer for above-named modes and mediums of non-physical monetisation, continue to vest with the Music Label.

2. Definitions

"Music Catalogue" shall mean all past, present and future Sound Recording works published or unpublished in which Copyright subsists, including derivatives or variations or portions or embodiments thereof, together with associated meta-data, artwork, images, promotional and ancillary material, which are owned by the Music Label and/or controlled by the Music Label through exclusive licensing/contractual



M. Srinivas Reddy



arrangements and in respect of which the Music Label has lawful, un-encumbered and effective rights to enter into this Deed; and copies thereof.

Without affecting the generality of the foregoing, the Music Label agrees to provide detailed particulars of the same to PPL in full as per prescribed format and submit to PPL within 15 days from the date of execution of this Deed, upon receipt of the list by PPL as per the prescribed format the same stands included as Schedule A "Music Catalogue" to this Agreement and the same shall not require (physical or digital) signatures by either side. The Music Label hereby agrees and undertakes to inform PPL in writing about any additions /deletions from time to time and the same shall form part of Schedule A "Music Catalogue", as and when particulars of such additions/deletions are received from the Music Label by PPL.

For the avoidance of doubt, "Non-physical" includes all non-physical means, mediums, technologies, processes, modes including electronic, wired and wireless, but save and except vinyl record, cassette tape, compact disc and video disc.

"Exclusive" means to the exclusion of all and any third-party and also of the assignor Music Label.

3. Consideration

4. Effective Date, Duration and Termination

4.1 The Duration of this Deed of Transfer of Rights in the Music Catalogue commence forthwith and shall be the whole term of the copyright subsisting in the Music Catalogue, unless terminated earlier as per the terms and conditions of this Deed. Parties agree that this transfer of rights shall not be subject to lapse under Section 19(4) of Copyright Act.

4.2 The Music Label shall have a right to terminate this Deed by giving PPL, 60 (sixty) days advance notice in writing of its intention to terminate this Deed in following circumstances:

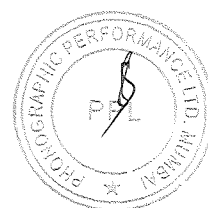
4.2.1 PPL fails to pay the agreed consideration for consecutive two quarters; or

4.2.2 PPL is wound up by an order of a Court having jurisdiction.

4.3 The Music Label for itself and on behalf of the legal heirs / successors / administrators and permitted assigns and/or their duly authorized agents agree and undertake that notwithstanding termination of this Deed, any third-party licence already granted by PPL in pursuance of this Deed and subsisting at the time of such termination shall continue to subsist for the duration of such licence.



SV Suresh Reddy



5. Territory

5.1 The transfer of rights in copyright contemplated hereunder shall extend to the territory of India, including transmission out of India.

6. Indemnity and Warranty

7. Miscellaneous

7.1 The Music Label agrees that PPL is entitled to grant licenses u/s 30 of Copyright Act, on ownership basis (as covered by sub-Section 18(2) of Copyright Act) for all its repertoire acquired from various other owners inclusive of the Music Catalogue forming subject-matter of this Deed.

7.2 Music Label recognises that PPL has full independent right, as covered by sub-Section 18(2) and other applicable provisions of Copyright Act, to take all steps as may be necessary for the purpose of protecting the assigned rights from infringement in any manner whatsoever, including the filing or defending of any litigation or proceeding before a Court or tribunal or police, giving undertakings, settling or withdrawing any actions instituted for this purpose either by or against PPL and generally to take all steps as PPL may deem fit for the purpose of giving substantial and complete effect to these presents. Music Label recognises and agrees that PPL has sole right to send notices and to initiate or defend legal proceedings for infringement, copyright disputes, money recovery, etc in its own name, without naming the Music Label as a party to the litigation or proceedings.



Srinivas Reddy

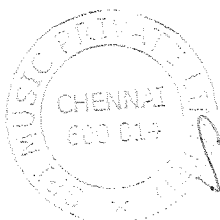


- 7.3 The parties agree that this Deed supersedes all agreements, deeds, documents and understandings executed and subsisting between the parties before the effective date of this Deed.
- 7.4 Waiver of a breach shall not operate or be construed as a waiver of any other or subsequent breach of the same or any other provision.
- 7.5 All third party rights are excluded and no third parties shall have any right to enforce this Deed against PPL.
- 7.6 Should any provisions of this Agreement be held by a court of law to be illegal, invalid or unenforceable, the legality, validity and enforceability of the remaining provisions of this Agreement shall not be affected or impaired thereby.
- 7.7 This Deed shall be construed in accordance with the laws of India; and parties mutually agree that disputes if any shall be settled only by the Courts in Mumbai which shall have exclusive jurisdiction. Each Party waives any objection which it may have at any time to any legal proceedings brought in such court including any claim that such legal proceedings have been brought in an inconvenient forum and that such court does not have any jurisdiction over such Party.
- 7.8 This Deed is first signed and executed by the Music Label and last signed, executed and completed at Mumbai by PPL.

SCHEDULE "A" - THE MUSIC CATALOGUE

FORMAT/TEMPLATE for the List of Past, Present and Future Sound Recording works Owned and/or exclusively controlled by the Music Label and assigned to PPL hereunder; save and except such Sound Recordings that may be specifically notified and excluded by the Music Label in writing in advance

S r. n o	Name of song	Na me of albu m	Album coupli ng no. /UPC	Labe l/ bran d Na me	Langu age	Genr e- Film; non- film (eg, ghaz al, bhaja n)	ISR C ode	Lengt h (mm: ss)	Release / Publicat ion Date/ Date of acquisiti on	Expir y/ Valid ity date	Territor y restricti ons, if any	Any other particul ars
1												
2												
3												



V. Suresh Reddy



Schedule B- Consideration

Royalties payable by PPL to the Music Label under this Deed

Royalty payments are subject to service-tax and TDS, as may be applicable. Royalty payment may be temporarily withheld in event of counter-claim or dispute about copyright title.

IN WITNESS WHEREOF the Music Label has hereunto set his hands to this writing and PPL has caused its authorized signatory to affix stamp and in witness hereof set his hands to this writing on the day and the year first hereinabove written.

SIGNED

by the above named Music Label



Title: Authorised Signatory

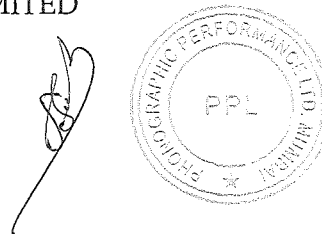
Name: Swaroop Reddy

Place: Chennai

Date: 02nd November 2017

ACCEPTED AND AGREED

PHONOGRAPHIC PERFORMANCE
LIMITED



COO/ Authorised Signatory

Name: (SUREJA KRISHIVARAN)

Mumbai

Date: 30th October 2017

Annexure 1

B – Public Performance

(i) In public performance, most of the licencees do not maintain or submit track-wise usage, as they find it too cumbersome. The number of licences issued every year runs into a few thousands.

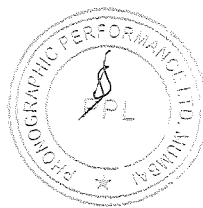
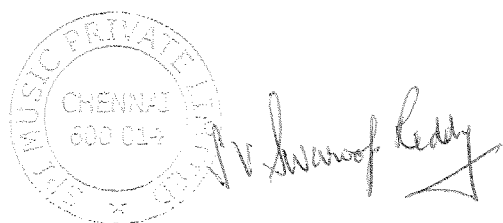
(ii) From the revenue collected (net of TDS suffered and of commission to third-party collection agents), Administrative & operating costs, expenses and out-gos (both direct and allocated of common over-heads), anti-piracy & enforcement costs/contributions and Legal expenses; and contractually payable licence fees to associate-limited members are to be deducted first.

This net amount is a common all-India pool across all States/territories and across all categories of users/licencees.

Individual members' shares out of this net amount are computed, as on the following formula:

(a) 15% weightage to the net physical domestic sales turnover of audio products of individual member** [see Note 1, which elaborates this]; (b) 25% weightage to usage-based licence fees revenue from 'caller ringback tunes' sub-stream, whether through PPL or directly; (c) 25% weightage 'FM radio by private broadcasters' sub-stream, such weightage to be computed on needle-hours reported and not on amounts; (d) 17.5% weightage to usage-based licence fees revenue from full-tracks consumption (through Airtel-Wynk), whether through PPL or directly; (e) 17.5% weightage to usage-based licence fees revenue from streaming full-tracks consumption (through a major platform viz. Saavn), whether through PPL or directly;. For direct revenue, i.e. not through PPL, only usage-based licence fees earning will be considered; lump-sum or fixed-value or minimum guarantee values will not be considered. The specimen formats of CA certificates for declaring the above will be communicated every year. In case of direct revenue, the concerned member shall furnish the CA certificate and supportings, on a timely basis. In case of physical sales declarations that are apparently exaggerated or out-of-alignment with known market conditions or not authentic, etc., PPL is entitled to impose a cut in the declared figures, at its sole discretion; sole discretion of PPL is reserved.

[** Note1 : The afore-said turnover is of audio products in physical formats (i.e. audio cassettes, audio CDs, MP3 CDs and audio DVDs), net of sales returns or provision for sales returns and channel discounts.; excludes export sales; and excludes home video (full movie VCDs, DVDs). In the event that it is not explicitly declared that the sales figure provided is of Audio products only, it will be assumed that 25% is of video products and the same shall not be eligible for being considered for payment of licence fees. Only trade i.e. bazaar retail sales are eligible. Sales figures of devotional albums to be excluded, in view of exemption in Copyright Act for licensing of religious places/functions. Premium sales, OEM sales, Corporate sales, "CD club" sales, direct marketing sales, and such or similar sales are not eligible. Only third party sales are taken in account; inter-company sales are excluded. In the case of new members who joined during the year, only pro rata licence fees is payable. Members are to furnish CA certificate or provide true copy of their accounts, before due date. Where the certified physical turnover



amount is Rs. 2 (two) crores or more, the CA certificate should be furnished only from the statutory auditor CA, and not by any third-party CA.

PPL is authorised to call for and examine additional supporting documentations such as Income-Tax returns/computations, tax returns/challans, etc., to corroborate the figures given by a Member. PPL is authorised to call for and examine sales registers, and call for additional breakups such as sales of top-selling albums, top dealers/customers, etc. PPL is further authorised to depute its CA to cross-audit the figures given by Member.]

(iii) The figures referred to in (ii) above are of previous financial year. However, in exceptional cases, PPL may utilise the same financial year figures, if available, at its sole discretion.

(iv) For those members who have not furnished the CA certificate and for those members whose turnover is marginal or negligible, the Board of Directors may declare a flat amount as discretionary fixed licence fees, such amount not to exceed Rs. 35,000 per member per annum, as per following slabs:

No. of songs released and registered

by Member with PPL Annual

Licence fees

Amount Rs.

- | | | |
|---|---------------------|----------|
| 1 | Upto 300 songs | 15,000/- |
| 2 | 301-750 songs | 25,000/- |
| 3 | 751 songs and above | 35,000/- |

(v) Save and except that in case of major events/shows, in the event that the said event/show was track-wise logged, then the said log can be used as the basis of payment only in respect of the licence fees collected from that event/show. Users/ licencees do not maintain or provide track-wise usage logs in public performance usage (background or events). In rare cases, where the user furnishes the logs or PPL monitors the events and makes out the logs, the same shall be used as basis only in respect of the licence fees collected from that user.

(vi) A new assignor-member is eligible for share in Public Performance revenue only from the first date of the next quarter of joining. For example, a new member joining and assigning on 15th Feb. 2014, eligible to receive royalty consideration only from 1st April 2014.

(vii) A Member whose assignment has ceased or terminated will be paid upto upto the validity dates of the licence(s) granted by PPL with respect to the Member repertoire prior to such cessation or termination.



Dr. Suresh Reddy

