

## **Phonographic Performance Ltd**

### **Tariff Chart (for sound recording works)** effective 1.1.2018

#### **PUBLIC PERFORMANCE:**

As attached in separate pages.

#### **BROADCASTING:**

##### **A – All India Radio:**

This licence is only for terrestrial broadcasting; does not enter to simulcast through internet or any other mode.

Primary Channel	Rs 450 per needle hour
Vividh Bharati/CBS	Rs 600 per needle hour
FM non-metro	Rs 788 per needle hour
FM Metro	Rs 900 per needle hour

Keeping the overall welfare objective and unique status of Prasar Bharati, bulk/volume discount (not exceeding 33%) may be considered, subject to licence commitment of minimum 3 (three) years and 4 months' time-limit for playing of "radio edits".

##### **B – Private FM radio station (terrestrial):**

This licence is only for terrestrial broadcasting through terrestrial FM; does not entitle to transmit or re-transmit through internet or mobile or satellite or cable or any other carrier, whether simultaneously or otherwise. Broadcast reach should not breach the territorial limits & restrictions, as prescribed by the Government in its permission/licence issued to the FM radio station.

"Radio Broadcast" means communication to the public by over-the-air wireless diffusion of audio signals from a terrestrial transmitter using only terrestrial equipment on modulated electromagnetic radiation waves confined to a limited geographical area, on a free-to-air i.e. non-subscription basis, by a person/entity officially holding a valid and subsisting license/permission from the Central Government as a radio broadcaster. Diffusion or delivery by any other person/entity or in any other manner does not constitute "radio broadcasting" for the purposes of this Agreement and this includes (1) internet also known as world-wide web; (2) loud-speakers or public address system in an enclosed or semi-open area ; (3) any medium/mode with on-demand or user-controlled programming facility; (4) any transmission of signals using telecommunication network or technology, including but not limited to mobile telephony.

Rs.2,400/- per Needle Hour or 20% of net advertising revenue, whichever is higher – irrespective of city or town class.

Notwithstanding and without prejudice to the above, in the light of pending litigation proceedings and in the interest of the copyright business, for the time being, purely as interim and transition arrangement, following 2 tariff Models also apply and are valid for voluntary licensing agreements:

**Model A: Option for Needle Hour rates scheme:**

The needle hour rates as follows.

			After Bulk Discount for no. of stations of a Broadcaster			
Below are our Base Rates, before any Discount			<b>Discounted Base Rate (W/O Barter of Free Airtime)</b>			
City class	City Class Rebate given	Base Rate per needle hour (after giving City Rebate)	Upto 10 station	11 to 20 station	20-30 station	30+ stations
A+		<b>2400</b>	2400	1800	1440	1320
A		<b>2400</b>	2400	1800	1440	1320
B	16.67 %	<b>2000</b>	2000	1500	1200	1075
C	40%	<b>1440</b>	1440	1050	850	775
D	50%	<b>1200</b>	1200	900	720	660
Approx. % of Discount for no. of stations ::			0%	25%	40%	45%

Terms of discount:

- A discount upto 33% on above rates will be offered at the sole discretion of PPL, toward barter of free air-time of upto 5 minutes a day for PPL use, for public service campaigns, anti-piracy campaigns, music promotions or any other use.
- Above percentages City Class-wise Rebates are not absolute. These percentages are valid only where the Base Rate for “A” City Class is licensed at Rs. 2400 per hour.
- For computing net advertisement revenue, barter deals, bonus air-times or similar not-for-cash transactions should be valued at appropriate market rates. The revenue declared must match audited accounts.

**Model B. Alternative Option of Revenue Share % (% of Gross Revenue)**

Model B though an alternative model is always subject to a floor level of needle hour based revenue, computed at 75% of the royalty calculated on needle hour rate as per above

Model A hereinabove, since PPL does not offer pure Revenue Share % option i.e. unsupported by minimum or floor level value. PPL offers uniform Rev. Share % for all Cities across Classes; differential rates for different City Class not offered.

The revenue share % (% of gross revenue) rates are as follows:

<b>% usage PPL content (to total music airtime)</b>	<b>W/O Free Air- time barter</b>	<b>With Free Air-time barter &amp; Infancy Discount</b>	<b>Free Airtime to PPL Mins per day</b>
90% +	20%	15.5%	10 min
80-90%	18%	13.5%	9 min
70-80%	15.5%	11.5%	8 min
60-70%	13%	9.75%	7 min
50-60%	11%	8.25%	6 min
40-50%	9%	6.67%	5 min
30-40%	7.5%	5.5%	4 min
20-30%	6%	4.4%	3 min
20 – 30%	4.5%	3.3%	2 min
Less than 10%	3%	2.2%	1 min

Broadcaster has the option to choose Needle hour model for a City class; and Rev. Share model for another City Class.

### **C. Integral Terms and Conditions:**

Common Terms and conditions which are applicable to BOTH the aforesaid models:

- a. Premium rate for rotation of a song more than 5 times a day
  - b. Premium rate for not playing radio edits in the 1st month of release
  - c. Annual increase of 8% p.a. for inflation and cost increases
- Air-time barter is at the exclusive option of PPL

- d. Giving of rebates and discounts is only for "voluntary licenses";  
And re not offered for non-voluntary or litigation-based licenses.

- e. Rs. 20 lacs Refundable interest-free security deposit per station in A+, A and B cities;  
Rs. 10 lacs Refundable interest-free security deposit per station in C and D towns.

- f. License subject to suspension and/or termination in case of prolonged delay in logs and/or payment; also, late-payment interest of 2% p.m. for delayed payment.

### **C – Community Radio station**

Rs. 2 (two) lakhs per annum (per station) restricted to 4 hours of broadcast per day.

**GENERAL & INTEGRAL TERMS (applicable to all above streams and categories):**

1. PPL grants and issues licences on “non-exclusive” basis.
2. Above tariffs are applicable only for “Compliant Licensees” i.e. those users who apply for and obtain licence prior to using PPL’s repertoire, sign relevant agreements, pay the fees and deposits, if any, on time, and comply with/abide by the terms, conditions and provisions of the licence. In respect of “Non-Compliant Licensees” i.e. those users who seek to regularize past infringements / violations / breach of PPL’s rights and licenses (including non-compliance with terms and conditions of existing licence agreements, usage without license, misrepresentations, etc), a load of upto 25% over the tariff and further additional terms such as advance, security, etc. shall apply at the discretion of PPL.
3. Tariffs are exclusive of GST, other taxes, levies, duties and imposts (as applicable).
4. Mere payment of licence fee as per this Tariff does not constitute a proper Licence. Terms, conditions, indemnities and provisions apply; Licensee needs to enter into a full-form binding licence agreement and ensure continued compliance. Licences are personal and non-transferable.
5. Licence fee is collected upon issue of licence or invoice/debit note or reported exploitation of copyrights or as per contract/agreement, as may be appropriate to the transaction. Licence fees may additionally be collected, partly or in full, in advance or in instalments. Interest-free refundable security deposits may be collected, with the purpose of securing the licence fees.
6. Licensee fees is usually collected by way of crossed cheques or demand drafts or pay orders, in favour of “Phonographic Performance Ltd”.
7. Late payment interest/charge:

Payment received after due date, But	Rate of interest per month on the sum due
Within 3 months of due date	1%
After 3 months but within 6 months of due date	1.5%
After 6 months of due date	2%

8. (i) The Board of Directors and/or C.E.O. are severally authorised, at their sole discretion, to vary the tariffs to a licensee(s) by way of (a) start-up or infancy or introductory or new technology discounts; (b) bulk/volume/quantity/group discounts; (c) customized or tailor-made packages and/or blanket licences; (d) discounts for committed usage voluntarily offered by the licensee; (e) partial swap towards air-time or other valuable consideration; (f) discount or concessions on a case-to-case basis, related to market trends and situations; (g) waive or mitigate late payment interest/charge. In case of FM radio licensing, PPL may, at its option and in consultation with the licensee, finalise licence fees on a fixed amount basis. Further, the Board of Directors and/or C.E.O. are severally authorised, at their sole discretion, to introduce new tariffs for new categories or substantially different categories, in line with technological advancements, market practices and client requirements.

(ii) Further, following cases/situations, viz.:

(a) licensee(s) who, in the sole discretion and judgement severally of the Board of Directors and/or C.E.O. are known or potential defaulters in timely payments of dues or in timely reporting of complete and reliable logs of usage and/or are not agreeable to transparent audit/verification of their relevant books and records, infrastructure, including computer files, or not considered to be in sound financial health; or considered to have conflict of interest.

(b) a new or different or un-tested or non-standard technology or method of music usage;

(c) those categories where tariff is linked to the end-user price, either as a percentage or otherwise, but the Licensee's scheme does not have a fixed or pre-determined or billable end-user price for the licensed sound recording (eg songs pre-burned or pre-embedded on mobile handsets);

(d) in the event of licensee(s) seeking variation from the applicable standard terms of full-form licence agreement;

-- the Board of Directors and/or CEO are authorised to fix (i) additional terms and conditions; (ii) variations in tariffs, including but not limited to lumpsum or fixed fee; (iii) advance or rolling advance and/or interest-free refundable security deposit or minimum guarantee; (iv) shorter contract duration; (v) issue experimental licences, trial licences; etc.