# THE INDIAN PERFORMING RIGHT SOCIETY LIMITED

TARIFF: - 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/ LICENSE FEE RATES

The Royalty/License Fee 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/LICENSE FEE 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/ LICENSE FEE

| Minimum Annual Royalty/License Fee<br>(exclusive of all taxes) |                                |
|--|--------------------------------|
| City Category  | Minimum Annual Royalty/License |
|  | Fee (Rs.)                      |
| A+   | 17,00,000/-                    |
| A  | 12,00,000/-                    |
| В  | 10,00,000/-                    |
| С  | 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:

# 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)

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Any overflow of royalty/license fee calculated as per 3(A) will be due after the recovery of the annual minimum royalty/license fee 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 Cites shall include Metro Cites 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.

## 5. APPLICABILITY OF TARIFF

- **a.** This Tariff comes into force from the 01-April-2018 and applies to all Royalties/License fee 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/License Fee 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/license fee rate can be yearly or cumulative over a period of time.
- d. All Royalties/License fee are exclusive of all applicable GST/ taxes / levies