

PHONOGRAPHIC PERFORMANCE LIMITED

SCHEDULE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2009 AND
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2009

SCHEDULE: "M"

NOTES TO THE FINANCIAL STATEMENTS

BackGround

The Indian Phonographic Industry (IPI), the Association of Phonogram Producers, was established in 1936, and it was instrumental in finalising the Broadcasting License arrangement in India. Subsequently, IPI members decided to form a specialised body to administer their Public Performance and Broadcasting Rights, so Phonographic Performance Limited (PPL) came into being and was registered and incorporated as a Company on April 24, 1941. PPL is a Company limited by Guarantee and not having a share capital, where liability of the members is limited. IPI changed its name to The Indian Music Industry (IMI) in 1994.

PPL has been functioning as the Performing Rights Society for Sound Recordings. After the amendments in copyright law in 1994, PPL was registered with the Registrar of Copyrights, Government of India, as Copyright Society in respect of Sound Recordings. PPL is mainly engaged in administering the Broadcasting / Telecasting, Digital, Mobile and Public Performance Rights on behalf of nearly 160 music companies which are its members.

The main object of the Company includes among many others, issuing or granting license for the public performance of gramophone records, perforated rolls and other forms by which sounds may be mechanically and/or electronically reproduced.

1. Significant Accounting Policies:

(a) **Basis of Accounting**

The financial statements have been prepared under historical cost convention to comply in all material aspects with all the applicable accounting principles in India, provisions of the Companies Act, 1956 of India (the Act) and the accounting standards referred in Section 211(3C) of the Act read with the Companies (Accounting Standards) Rules, 2006.

(b) **Fixed assets and Depreciation**

Fixed Assets are stated at historical cost less depreciation / amortisation. Cost includes all expenses relating to acquisition and installation of the concerned assets.

Depreciation has been provided on a written down value basis at rates prescribed in Schedule XIV to the Companies Act, 1956, issued by the Department of Company Affairs. Depreciation on fixed assets during the year is calculated on pro-rata basis.

Depreciation on assets costing Rs. 5,000 or less is provided at the rate of 100% in the year of acquisition of the assets. Leasehold improvements are amortised over the period of lease.

(c) **Investments**

Current Investments are stated at lower of costs and market value/repurchase price.

(d) **Employee Benefits**

i) **Short Term Employee Benefits:**

The employees of the Company are entitled to leave encashment as per the leave policy of the Company. The liability in respect of leave encashment of short term nature is provided, based on an actuarial valuation carried out by an independent actuary as at the year end.

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PHONOGRAPHIC PERFORMANCE LIMITED

SCHEDULE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2009 AND
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2009

SCHEDULE: "M" (Contd.)

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

ii) Long Term Employee Benefits:

Defined Contribution Plans

The Company has Defined Contribution plans for post employment benefits namely Provident Fund which is recognised by the income tax authorities.

Under the Provident Fund Plan, the Company contributes to a Government administered provident fund on behalf of its employees and has no further obligation beyond making its contribution.

The Company makes contributions to state plans namely Employee's Pension Scheme 1995 and has no further obligation beyond making the payment to them.

The Company's contributions to the above funds are charged to Profit and Loss Account every year.

Defined Benefit Plans

The Company has Defined Benefit Plans namely Gratuity and Leave Encashment for all its employees. The Company contributes to a Gratuity Fund, which is recognised by the Income Tax Authorities and administered through its trustees. The Gratuity Fund has taken a Group Gratuity-Cum-Life Insurance Policy with Life Insurance Corporation of India (LIC) and makes contribution to LIC.

Long term leave encashment includes provision for leave which is expected to be encashed / utilised after twelve months from the Balance Sheet date.

Liability for Defined Benefit Plan is provided on the basis of valuations, as at the Balance Sheet date, carried out by an independent actuary. The actuarial valuation method used by independent actuary for measuring the liability is the Projected Unit Credit Method.

iii) Termination benefits are recognised as an expense as and when incurred.

iv) Actuarial gains or losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognised immediately in the Profit and Loss Account as income or expense.

(e) Taxation

Current tax is determined as the amount of tax payable in respect of taxable income for the year.

Deferred tax is recognised, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

(f) Recognition of Income and Expenditure

Items of income and expenditure are generally recognised on accrual basis (except where there are significant uncertainties) based on usage report submitted by licensees at rates and/or minimum guarantee rates as per agreements with those parties. Estimates are made on prudent basis wherever necessary. Royalty income and expenses in Broadcasting includes All India Radio (AIR), Private Frequency Modular (FM), Community Radio, Satellite Radio and Telecasting; Mobile and Digital includes Ringtone, Ring Back Tone, Embedded, Interactive Voice Response (IVR), Music Audio/Video Streaming, Juke Box, retail kiosks and Webcasting.



PHONOGRAPHIC PERFORMANCE LIMITED

SCHEDULE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2009 AND
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2009

SCHEDULE: "M" (Contd.)

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(g) Software Expenses

Software obtained initially together with hardware is capitalised along with the cost of hardware and depreciated in the same manner as the hardware. Purchases of software requiring annual renewal of licenses are treated as revenue expenditure and charged to Profit and Loss Account during the year.

(h) Foreign Currency Transactions

Foreign currency transactions are accounted at the exchange rates prevailing on the date of the transaction. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the Profit and Loss Account.

(i) Provisions and Contingent Liabilities

The Company recognises a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

(j) Impairment of Assets

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount is higher of the asset's net selling price or estimated future cash flows, which are discounted to their present value based on appropriate discount rates. If such recoverable amount of the asset or recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Profit and Loss Account. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and asset is reflected at the recoverable amount.

2. Leases:

The Company has entered into cancellable leasing arrangements for premises. The lease rental of Rs. 1,579,592 (Previous Year Rs. 914,719) has been included under the head "Administrative and Other Expenses" under Schedule 'L' to the Profit and Loss Account.

3. Capital Commitments:

Estimated amount of contracts [net of advances Rs. 139,935 (Previous Year Rs. 75,000)] remaining to be executed on capital account and not provided for is Nil (Previous Year Nil).

4. (a) The reporting system and the royalty income from AIR continues to be erratic and the same has been accounted for on cash basis in view of significant uncertainty as to ascertainment of accruals. The reports from most of the AIR stations are received with significant delay. During the current year, the Company has received partial usage reports from January 2006 to December 2008, which has been accounted accordingly.





PHONOGRAPHIC PERFORMANCE LIMITED

SCHEDULE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2009 AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2009

SCHEDULE: "M" (Contd.)

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(b) Royalty income for Private Frequency Modular (FM) have been accounted for based on intimation received from parties regarding hours broadcast during the year at agreed rates and/or at rates pursuant to interim orders of High Courts at Kolkata and Mumbai. During the year 2004-05, Mumbai High Court vide their order dated April 13, 2004 disposed off the appeals made by the Company and the broadcasters against the order of the Copyright Board (CRB) dated November 19, 2002. The Mumbai High Court held that the compulsory license can be issued to all the broadcasters, however, the court set aside the CRB's aforesaid order and referred the matter to them for re-determination of the fees.

As the order of CRB dated November 19, 2002 was set aside, the Company has moved the Mumbai High Court for directions as to which Order should now be followed and from what date. However, there is no order on the matter so far and certain broadcasters continue to pay the royalty fees as per their respective interim court orders prior to the order of Mumbai High Court dated April 13, 2004.

Aggrieved by the interpretation of Section 31 (Compulsory Licence) by the Mumbai High Court, the company filed a special leave petition (SLP) before the Supreme Court challenging the order of the Mumbai High Court. The Supreme Court, on May 16, 2008, issued order directing Copyright Board to hear compulsory licensing applications. The Copyright Board has commenced the proceedings in compulsory licensing applications received by it by certain FM radio broadcasters. The hearing is in progress.

5. As in the earlier years, royalty distribution have been accounted for to the extent of the corresponding royalty income for the year [as indicated in Notes 4(a), and 4(b)] after recouping legal and administrative expenses, including anti-piracy contribution to Indian Music Industry.
6. Adjustments in royalty income for radio billed to Private FM licensees and distribution of royalty payable to the members in this regard as may arise on resolution of the matter currently pending before the Mumbai, Kolkata High Court and Copyright Board as indicated in Note 4(b) above (including directions as regards applicable license fees and its applicable dates) will be accounted for on receipt of the related order.
7. **Deferred Tax (Asset)/ Liability:**

The Company accounts for Deferred Tax in accordance with the Accounting Standard 22 - "Accounting for Taxes on Income".

The Deferred tax balances are set out below.

Particulars	As at March 31, 2009 Rupees	As at March 31, 2008 Rupees
<u>Deferred Tax Assets</u>		
Gratuity [Including Transitional Asset for Employee benefit Nil (Previous Year: Rs. 359,421)]	(679,584)	(580,368)
Leave Encashment	<u>(737,359)</u>	<u>(454,784)</u>
	<u>(1,416,943)</u>	<u>(1,035,152)</u>
<u>Deferred Tax Liability</u>	<u>1,242,616</u>	<u>1,124,797</u>
Depreciation	<u>1,242,616</u>	<u>1,124,797</u>
	<u>(174,327)</u>	<u>89,645</u>
Deferred Tax (Asset)/ Liability (Net)		



PHONOGRAPHIC PERFORMANCE LIMITED

SCHEDULE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2009 AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2009

SCHEDULE: "M" (Contd.)

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

8. Segment Information:

(i) Information about Primary Business Segment:

In accordance with Accounting Standard - 17, "Segmental Reporting", the Company has determined its business segment as issuing or granting license for the public performance of gramophone records, perforated rolls and other forms by which sounds may be mechanically and/or electronically reproduced and there are no other primary reportable segments. Accordingly, the segment revenue, segment results, total carrying amount of segment assets and segment liability, total cost incurred to acquire segment assets and total amount of charge for depreciation during the year, is as reflected in the Financial Statements as of and for the year ended March 31, 2009.

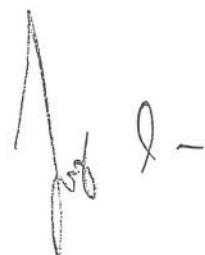

(ii) Information about Secondary Business Segment:

Revenue by Geographical Segments	2008-2009 (Rupees)			2007-2008 (Rupees)		
	India	Outside India	Total	India	Outside India	Total
External	1,372,065,234	878,736	1,372,943,970	1,099,444,313	42,558,840	1,142,003,153
Carrying Amount of Segment Assets	740,359,714	-	740,359,714	675,769,662	-	675,769,662
Additions to Fixed Assets	6,806,541	-	6,806,541	6,598,206	-	6,598,206

Notes:

The Segment revenue in the geographical segments considered for disclosure is as follows:

- (a) Revenue within India includes royalty income from licensees located within India and earnings in India.
- (b) Revenue outside India includes royalty income from licensees located outside India and earnings outside India.

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SCHEDULE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2009 AND
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2009

SCHEDULE: "M" (Contd.)

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

11. Contingent Liabilities not provided for

The service tax department has raised a show cause-cum-demand of Rs. 27,869,195 (Previous Year: Nil) for the taxable value of services rendered under the category of "Club or Association" for the period June 16, 2005 to June 30, 2008 vide show cause-cum-demand notice dated October 10, 2008. The Company has disputed the same and has filed its reply to the show cause-cum-demand notice on May 11, 2009, and is awaiting for the date of hearing. No provision has been made in the books of accounts.

12. Certificates for tax deducted at source aggregating Rs. 19,655,560 (Previous Year Rs. 4,127,372) are in the process of being collected from licensees. The Management is hopeful of collecting these certificates. Hence, no provision has been considered necessary by the Management.

13. Sundry Creditors include:

(a) Rs. 39,988 (Previous Year- Rs. 39,988) received from certain parties on account of Broadcasting Fees (FM - Private) and held in a fixed deposit bank account, pursuant to an interim order of January 1994 of the Kolkata High Court pending final resolution of the matter.

(b) Security Deposit from licensees Rs. 97,383,661 (Previous Year Rs. 81,933,649)

(c) Advances from licensees Rs. 47,577,979 (Previous Year - Rs. 44,237,179)

(d) Following amount received in advance and/or pending invoicing:

(i) Rs. 69,249,676 (Previous Year - Rs. 39,401,636) after adjustment of royalty income of Private FM for the year accounted for on the basis of Notes 1(f) and 4(b) above.

(ii) Rs. 5,386,168 (Previous Year - Rs. 3,627,111) after adjustment of royalty income of Webcasting for the year accounted for on the basis of Note 1(f) above.

(iii) Rs. 11,145,275 (Previous Year - Rs. 37,158,765) after adjustment of royalty income of Ringtone for the year accounted for on the basis of Note 1(f) above.

(iv) Rs. Nil (Previous Year - Rs. 2,500,000) after adjustment of royalty income of Ring Back Tone for the year accounted for on the basis of Note 1(f) above.

(v) Rs. 7,879 (Previous Year - Rs. 222,914) after adjustment of royalty income of Juke box & Kiosk for the year accounted for on the basis of Note 1(f) above.

(vi) Rs. 61,736,700 (Previous Year - Rs. 92,820,936) after adjustment of royalty income of Telecasting for the year accounted for on the basis of Note 1(f) above.

(vii) Rs. 13,710,664 (Previous Year - Rs. 635,403) after adjustment of Public Performance for the year accounted for on the basis of Note 1(f) above.

(e) The Company has not received any information from the "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to the amounts as at year end together with interest paid / payable as required under the said Act have not been given.

(f) There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.



PHONOGRAPHIC PERFORMANCE LIMITED

SCHEDULE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2009 AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2009

SCHEDULE: "M" (Contd.)

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

14. Earnings in Foreign Currency:

Particulars	2008-2009 Rupees	2007-2008 Rupees
Broadcasting – Radio	-	37,500,000
Mobile and Digital	878,736	5,058,840

15. Expenditure in Foreign Currency:

Particulars	2008-2009 Rupees	2007-2008 Rupees
Travelling	675,595	1,409,192

16. Remuneration to Auditors

Particulars	2008-2009 Rupees	2007-2008 Rupees
As Auditors	650,000	300,000
Other Services	200,000	200,000
Out of Pocket Expense	8,786	11,470
	858,786	511,470

17. The Company has classified various benefits provided to employees as under:-

I) Defined Contribution Plans

- a) Provident Fund
- b) State Defined Contribution Plans
 - i) Employers' Contribution to Employee's Pension Scheme 1995.

During the year, the Company has recognised the following amounts in the Profit and Loss Account:

Particulars	2008-2009 Rupees	2007-2008 Rupees
Employers' Contribution to Provident Fund	1,098,253	843,394
Employers' Contribution to Employee's Pension Scheme 1995.	542,305	480,008

* Included in Contribution to Provident and Other Funds (Refer Schedule "K")

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PHONOGRAPHIC PERFORMANCE LIMITED

SCHEDULE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2009 AND
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2009

SCHEDULE: "M" (Contd.)

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

II) Defined Benefit Plans

In accordance with Accounting Standard 15 (Revised 2005), actuarial valuation was done in respect of the aforesaid defined benefit plan of gratuity based on the following assumptions:-

Particulars	As at	As at
	March 31, 2009	March 31, 2008
Discount Rate (per annum)	7.75%	8.00%
Rate of increase in Compensation levels	7.00%	7.00%
Rate of Return on Plan Assets	7.75%	8.00%
Expected Average remaining working lives of employees (years)	23	23

A) Changes in the Present Value of Obligation

Particulars	As at	As at
	March 31, 2009	March 31, 2008
	Rupees	Rupees
Present Value of Obligation at the beginning of the year	2,576,978	2,078,063
Interest Cost	206,158	166,245
Current Service Cost	616,280	507,783
Benefits Paid	(255,693)	(233,365)
Acturial (gain) / loss on obligations	881,644	58,251
Present value of Obligation as at the year end	4,025,367	2,576,978

B) Changes in the Fair value of Plan Assets

Particulars	As at	As at
	March 31, 2009	March 31, 2008
	Rupees	Rupees
Fair value of Plan Assets at the beginning of the year	869,511	1,020,632
Expected Return on Plan Assets	69,948	81,651
Acturial Gains and (Loss) on Plan Assets	43,396	593
Contributions	1,289,165	-
Benefits Paid	(255,693)	(233,365)
Fair value of Plan Assets at the year end	2,026,003	869,511

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PHONOGRAPHIC PERFORMANCE LIMITED

SCHEDULE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2009 AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2009

SCHEDULE: "M" (Contd.)

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

C) Reconciliation of Present Value of Defined Benefit Obligation and the Fair value of Assets

Particulars	As at	As at
	March 31, 2009	March 31, 2008
	Rupees	Rupees
Present Value of funded obligation as at the year end	4,025,367	2,576,978
Fair Value of Plan Assets as at the year end	2,026,003	869,511
Funded Status	2,026,003	869,511
Present Value of unfunded Obligation as at the year end	1,999,364	1,707,467
Unrecognised Actuarial (gains) / losses	-	-
Unfunded Net Asset / (Liability) Recognised in Balance Sheet**	(1,999,364)	(1,707,467)

** Included in Provisions (Refer Schedule "H")

D) Amount recognised in the Balance Sheet

Particulars	As at	As at
	March 31, 2009	March 31, 2008
	Rupees	Rupees
Present Value of Obligation as at the year end	4,025,367	2,576,978
Fair Value of Plan Assets as at the year end	2,026,003	869,511
Liability/ (Net Asset) recognised in the Balance Sheet	1,999,364	1,707,467

*** Included in Provisions (Refer Schedule "H")

E) Expenses recognised in the Profit and Loss Account

Particulars	2008-2009	2007-2008
	Rupees	Rupees
Current Service Cost	616,280	507,783
Interest Cost	206,158	166,245
Expected Return on Plan Assets	(69,948)	(81,651)
Net actuarial (gain) / loss recognised in the year	838,248	57,658
Total Expenses recognised in the Profit and Loss Account	1,590,738	650,036

**** Included in Gratuity (Refer Schedule "K")

F) Percentage of each category of Plan Assets to total Fair Value of Plan Assets as at the end of the year

The Plan Assets are administered by Life Insurance Corporation of India ("LIC") as per Investment Pattern stipulated for Pension and Group Schemes Fund by Insurance and Regulatory Development Authority regulations.

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PHONOGRAPHIC PERFORMANCE LIMITED

SCHEDULE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2009 AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2009

SCHEDULE: "M" (Contd.)

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

G) Expected Contribution to be paid for next year

Particulars

2008-2009
Rupees
904,941

2007-2008
Rupees
594,732

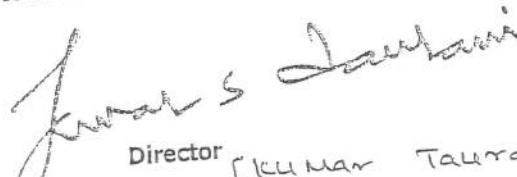
Expected Contribution to be paid for next year


III) The liability for leave encashment as the year end is Rs. 2,169,342 (Previous Year Rs. 1,337,994).

18. Refer Annexure for additional information pursuant to Part IV of Schedule VI to the Companies Act, 1956, of India.
19. Previous year's figures have been rearranged and regrouped wherever necessary.

Signatures to Schedules "A" to "M" forming part of the Balance Sheet and Profit and Loss Account.

U. A. Shah
Uday Shah
Partner
Membership No. F-46061
For and on behalf of
Price Waterhouse
Chartered Accountants


Director [Kumar Taurani]


Director

[Ganesh Jain]

Place: Mumbai
Date: September 7, 2009

Place: Mumbai
Date: September 7, 2009

Phonographic Performance Ltd. -- registered copyright society
Tariff Scheme

Below tariffs are applicable only for "Compliant Licensees" i.e. those users who apply for and obtain licence prior to using the Society's repertoire, sign relevant agreements, pay the fees and deposits, if any, on time, and comply with/abide by the terms and conditions of the licence. In respect of "Non-Compliant Licensees" i.e. those users who seek to regularize past infringements / violations / breach of Society's rights and licenses (including non-compliance with terms and conditions of existing licence agreements, usage without license, mis-representations, etc), a load of 25% over the tariff shall apply at the discretion of Society.

PART A: BACKGROUND MUSIC

Category no.

2 POP/MUSIC QUIZZES

This tariff is applicable when sound recordings are played at premises providing pop quizzes, music quizzes and any general quiz involving some musical content.

Fee : Rs 500 Per quiz

When re-recording is involved to make up tapes for pop/music quizzes, the applicant must first obtain the prior written permission of the record companies concerned and separate tariff Broadcasting/ Telecasting would apply as the case may be.

3 N.A.

4 JUKEBOXES

When Juke box is used as an inward source for the whole area of operation i.e. when it is connected to the main system and is audible to the entire area of operation
Fees As per the site of usage.

Whenever the Juke box is installed as a stand alone machine and its area of coverage is restricted & is limited to the reach of its own audio speakers.

a Without Background Music
This tariff should be used for premises when a juke box without a background music facility has been installed.
Multiple Rs 3,000 per annum per Juke Box

B With Background Music
This tariff is applicable for premises that have a juke box with a background music facility. You may recognise this as a juke box with a facility for freeplay.
Multiple Rs 4,000 per annum per Juke Box

Single Rs 4,000 per annum per Juke Box
Single Rs 6,000 per annum per Juke Box

In case if the Juke Box involves digital storage of music
In addition to the above Public Performance fees, additional charges for Temporary Storage to be paid by the equipment supplier. (refer Temporary Storage Cost - Juke Box)

5 Dance Teachers

This tariff is for dance teachers and dancing schools when sound recordings are played during dancing classes and tuition for individual pupils. Types of dancing covered include ballroom, latin, jazz, ballet, disco, tap and other forms of contemporary dance instruction.

A banded tariff is used in recognition of the way in which you play sound recordings. Often these tariffs are banded according to the numbers of people at an event or the size of the venue so that the final fee reflects the extent to which recordings are being used.

Aggregate of Annual Attendance	Annual Fees in Rs
1 to 2000	2000
2001 to 4000	3000
4001 to 5000	3750

Additional annual fee of Rs. 750 for every additional aggregate annual attendance of 1,000 or part thereof

6 DANCE CENTRE/STUDIO

This tariff is for dance centres and studios where individual studios and rehearsal rooms are available for hire. The tariff covers the playing of sound recordings for all types of dance and movement in the various rooms.

Fees Rs 30/- per hour per studio with fees calculated as a weekly total and assessed annually.

7 EXERCISE

This tariff is for aerobics, keep fit, slimming, calisthenics, aquaerobics, medau, laban and all similar movement to dance and exercise classes.

Fees	
Up to 200 Classes p.a.	Rs 4,000
Over 200 Classes p.a.	Rs 8,000

8 AMATEUR OPERATIC & DRAMATIC SOCIETIES

This tariff is to be used for amateur operatic & dramatic societies both for background music during the entry and exit of audiences, during intervals and during the action of performances when required.

Fees Rs 2000/- per annum per society

9 THEATRICAL PRODUCTIONS

This tariff is for the playing of sound recordings during the action of theatrical productions and for on-stage or off-stage effects.

Fees	
Up to 5 min of Performance	Rs 200 per performance
For every Add 5 min or part of performance	Rs 100 per performance

When recording is involved, the applicant must also obtain the prior written permission of the record companies concerned.

10 TEMPORARY CAMPS / SHACKS

Fees Rs 10 Per day Per Shack (subject to a minimum of 90 days)

11 BANQUET HALL

Capacity	Fees in Rs. (per annum)
upto 500 persons	5,000
above 500 persons	10,000

12 SMALL GUEST HOUSES, LODGES & HOTELS revised w.e.f. 01.10.2008

The tariff applies where small guest houses AND lodges have no more than 25 bedrooms . If your premises does not qualify on these two aspects of the tariff you should refer to the hotel tariff.
Fees Rs 5,000 per annum.

13 HOTELS revised w.e.f. 01.10.2008

Category of Hotel	Annual Fees in Rs.
5 STAR DELUXE	42,000
5 STAR	36,000
4 STAR	25,200
3 STAR	16,800

2 STAR	12,000
Others	9,000

The above tariff includes playing of sound recordings in Public Areas owned / administered by the Hotel like - Lobbies / Lifts / Guest Rooms & Business Centre etc. Music in other area like Discotheque, Shopping Arcades, Restaurants would require separate Public Performance License. For all events/ shows organised in the hotel premises separate License is to be obtained.

14 PUBLIC HOUSES & CAFES & Non AC Restaurants

Fees	Seating Capacity	Annual Fees in Rs
	Below 30	2,500
	30-50	5,000
	more than 50	7,500

15 AC Restaurants, BARS

Fees	Seating Capacity	Annual Fees in Rs
	Below 30	3,500
	30-50	7,500
	more than 50	10,000

16 SHOPS & STORES PREMISES

revised w.e.f. 01.10.2008

This tariff is for the playing of sound recordings as background music at retail premises. Examples include shops, boutiques, showrooms, wholesale warehouses, superstores, furniture/carpet showrooms, supermarkets, department stores & the common parts/concourse areas of shopping centres & etc.

Fees	Area	Rs	Plus	Rs
	Up to 100 sq. ft.	Rs 1000 p.a.		
	101-200 sq. ft.	Rs 1750 p.a.	Plus	Rs 5 per sq ft p.a. for every sq ft more than 200 ft.
	201-500 sq. ft.	Rs 1750 p.a.	Plus	Rs 4 per sq ft p.a. for every sq ft more than 500 ft.
	501-1000 sq ft.	Rs 3250 p.a.	Plus	Rs 3.50 per sq ft p.a. for every sq ft more than 1000 ft.
	1001-5000 sq. ft.	Rs 5,250 p.a.	Plus	Rs 3 per sq ft p.a. for every sq ft more than 5000 ft.
	more than 5000 sq. ft.	Rs 19,250 p.a.		

17 HAIRDRESSING SALONS & Beauty Parlours

Fees	Category	Rs
	A category	Rs 2,500 p.a.
	B category	Rs 2,000 p.a.
	C category	Rs 1,500 p.a.
	D category	Rs 500 p.a.

A	Saloon where the cost of a simple haircut is more than Rs 200
B	Saloon where the cost of a simple haircut is more than Rs100 but less than Rs 200
C	Saloon where the cost of a simple haircut is more than Rs 50 and less than Rs 100
D	Saloon where the cost of a simple haircut is less than Rs 50

18 Clinics

Fees Rs. 2,500 per annum

19 Nursing Homes & Hospitals

Fees	No Of Rooms	Annual License Fees in Rs
	Up to 5	3,500 Plus Rs 500 per room for every room more than 5 rooms.
	6 to 10	3,500 Plus Rs 400 per room for every room more than 10 rooms.
	11 to 25	6,000 Plus Rs 300 per room for every room more than 25 rooms.
	26 to 50	12,000 Plus Rs 250 per room for every room more than 50 rooms.
	51 +	19,500 Plus

20 FACTORIES & OFFICES / BANKS

This tariff is for background music in the working areas of factories offices & Banks.

Fees	Area	Annual License Fees
	Up to 5000 Sq Ft	Rs 3,500
	5001 to 10000 Sq Ft	Rs 5,000
	10000 -20000Sq Ft	Rs 6,000

Prorata increase at Rs 1000/- per 5000 Sq Ft or part thereof.

21 WAITING ROOMS/RECEPTION AREAS

Fees Rs 3,500 per annum

22 TELEPHONE MUSIC ON HOLD

This tariff applies to businesses or any premises where sound recordings are played as background music via a telephone music on hold system.

Fees	No Of External Lines Per Switchboard	Annual License Fees Per Switchboard
	1 - 5 Lines	Rs 4,000
	6 - 15 Lines	Rs 6,000
	each Add 15 lines or part thereof	Rs 1,000

23 PUPPET/MAGIC SHOWS

This tariff is for background music during the entry and exit of audiences, during intervals and during the action of shows.

Fees Rs 2,500 p.a.

24 Theatres

This tariff should be used for theatres, when background music is played during the entry and exit of audiences and during intervals.

Fees Rs 3,500 p.a.

This tariff excludes the playing of sound recordings selected by or played in conjunction with the production as entry/exit or interval music which is either promotional for or directly linked to the content or nature of the theatrical production. A separate licence will be required by the producer of the show.

25 CINEMAS

This tariff is for background music in cinema auditoria, during the entry and exit of audiences and during intervals between the performance of films, or for the additional playing of sound recordings in other areas of the cinema complex (e.g foyers, separate bars and restaurants etc.).

Fees	Seating Capacity	Annual Fee For Single Screen	Premium Per Screen
	Below 500	Rs 1,500	1 20%
	500 -999	Rs 2,500	2 25%
	1000 +	Rs 3,500	3 30%
			4+ 40%

26 MUSEUMS & ART GALLERIES

This tariff is for background music at exhibitions and displays held at museums and art galleries.

Fees	Exhibitions/Displays	Annual Fee
	For Permanent Exhibitions or Displays	Rs 3,500 p.a.
	During non permanent Exhibitions or Displays Not Exceeding 11 weeks	Rs 300 per week

Non permanent exhibitions and displays that are for less than 11 weeks can be charged at a weekly rate.

27 **BOWLING CENTRES/ BOWLING ALLEYS**
Fees Rs 5,000 p.a.

28 **AMUSEMENT & PLEASURE PARKS**
This tariff is to be used for amusement & pleasure parks, theme parks and fairgrounds when background music is played throughout the common parts of the park and/or individual 'rides'.

Fees	Through Out The Park	Rs 3,500 per playing equipment
	For Each Source Of Music, be it CDR, Tape deck, TV or Radio	Rs 1,000 per speaker per relay point
	For Each of the First additional 20 extension Speakers or relay points	Rs 750 per speaker per relay point
	For Each additional extension Speakers or relay points over 20	
Individual Rides		Rs 3,500 per ride
	For Music system (source) dedicated to each rides	

1 - Discotheques & Restaurant will be charged separately.

2 - Events when organised in Parks will be charged separately.

29 **AMUSEMENT ARCADES**
Fees Rs 3,500 per annum

30 **CASINOS**
Fees Rs 5,000 per annum

31 **GYMNASIUMS / CLUBS**
Fees Rs 3,500 p.a.
Additional fees payable as per corresponding tariffs for Restaurants, Rooms, Bowling Alleys and Events, wherever warranted.

32 **SWIMMING POOLS**
Fee Rs 3,500 per annum

32 **SWIMMING POOLS**
Fee Rs 3,500 per annum

34 N.A.

35 **EXHIBITIONS**
License is issued to the organisers of exhibition when sound recordings are played as background music at exhibitions

Fees:
THROUGHOUT THE EXHIBITION AS A WHOLE (excluding individual stands):
Rs. 1,000 per day or part thereof

ON INDIVIDUAL STANDS AT EXHIBITIONS:
Rs. 500 per day or part thereof

36 N.A.

37 N.A.

38 N.A.

39 **PETROL PUMPS / OTHER USERS**

This tariff applies for all other categories for which no specific tariff has been formulated.
Fee: Rs. 2,500 p.a.

40 N.A.

41 **BUSES**
This tariff is for bus and coach operators when sound recordings are played for background music on their vehicles

Fees : Local Rs. 2,500 p.a. Long distance Rs. 2,000 p.a.

42 **RAILWAY AND BUS STATIONS**
This tariff is to be used for railway, underground and bus/coach station operators, for background music in concourse areas and on platforms at stations

Fees p.a.	Category	Railway Station				Bus Terminus
		Long Distance		Suburban		
		Major	Small	Major	Small	
	A	Rs 30000	Rs 20000	Rs 20000	Rs 15000	Rs 10000
	B	Rs 20000	Rs 15000	Rs 15000	Rs 10000	Rs 7500
	C	Rs 15000	Rs 10000	-	-	Rs 5000

A	All Stations in Metros / Mini Metros
B	Stations In state Capitals & 5 Lac + towns
C	All Other Stations

	Long Distance	Suburban
Major	more than 6 platform	more than 4 platform
Small	less than 6 platform	Less than 4 Platform

43 **Trains**

Fees	Super Fast	Rs 7.5 per compartment per day	In case if the programs are sponsored or carry an advertisement during the program. An additional charge of 15% on the applicable tariff would be made.
	Express	Rs 6 per compartment per day	
	Mail	Rs 5 per compartment per day	
	Passenger	Rs 2.5 per compartment per day	
	Metro	Rs 5 per compartment per day	
	Local	Rs 3.5 per compartment per day	

44 **AIRCRAFT**
For the public use of sound recordings solely as background music on Aircraft. Where inflight entertainment is provided to passengers on Aircraft, the fee for background music during boarding & disembarkation will be waived.

Per aircraft:		Inflight Entertainment	
No. of Seats	Boarding & Disembarkation	One Channel	Every Additional Channel
upto 100	Rs., D.a. 5000	@ Rs. 2.25 per seat per day	Add 10% of basic rate per channel
100 ~ 200	7500	Rs. 41,062 + Rs. 2 per seat per day, for every seat	Add 10% of basic rate per channel

200 ~ 400	10000	more than 50 Rs. 1,50,562 + Rs. 1.85 per sq ft per day, for every seat more than 200	Add 10% of basic rate per channel
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In case if the programs are sponsored or carry an advertisement during the program, an additional charge of 15% on the applicable tariff would be made.

45 Airport Terminals

Fees	All International Airports / Domestic Airports in Metros & Mini Metros Other Domestic Airports	Rs 30,000 p.a. Rs 25,000 p.a. Rs 10,000 p.a.
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46 INLAND & COASTAL VESSELS

Fees p.a.	Passenger on Board	Vessel Type	
		Cargo	Passenger
	Up to 50	Rs 3,500	Rs 5,000
	51 - 100	Rs 5,000	Rs 7,500
	101 - 200	Rs 7,500	Rs 10,000
	201 - 300	Rs 10,000	Rs 15,000
	301 - 400		Rs 20,000
	401 - 500		Rs 25,000

Fee Increases prorata at Rs 5,000 for every additional 100 passengers on Passenger vessels
Discotheques & Restaurant on Board will be charged separately.

47 Shopping Malls revised w.e.f. 01.10.2008

This tariff for background music in a Shopping Mall with an area of more than 45,000 sq. ft.

Fees : @ Rs. 5/- per sq. ft. p.a.
and

Rs. 3,500/- per T.V. Set p.a.
However, for each large screen the rate is Rs. 10,000/- per Screen p.a.
For any Event that takes place, a separate License has to be obtained.

48 PUBS revised w.e.f. 1.10.2008

Small Pubs - Classified as all Pubs where music is used as a recreational activity and the size of the outlet is less than 750 sq ft

Seating Capacity	Annual Fees in Rs.
Upto 20	10,000
20 ~ 35	20,000
35 ~ 50	30,000

Large Pubs - Classified as all Pubs where music is used as a recreational activity and the size of the outlet is more than 750 sq ft

Tariff - 2 under Category 1 - Discotheques/Lounge Bars/Any Dance Floor is applicable.

The above rates are applicable in only those cases where background music is involved. However, additional fees are payable as per corresponding tariffs if either a dance area is involved, or an event is held.

49 N.A.
50 N.A.

NOTE:- (a) In any outlet or establishment when sound recording is used as one of the main feature for entertainment, tariff as per category part B would apply. Eg. Use of Sound Recordings in Restaurant/ Mall on daily basis come under Background category but use of sound recording for New Year/ Valentine Day party etc. shall be considered as events and for such usage Tariff as per Part B would apply. Product launches and other sponsored functions are covered under Events category.
(b) For establishments which have separate area/facility for dancing/music, requisite category B-1 tariff shall be applicable.

PART B: EVENTS AND SPECIAL-FEATURED ENTERTAINMENTS

1. **Discotheques /Lounge Bars/Any Dance floor** (revised w.e.f. 01.10.2008)
Specially Featured Entertainment tariff is applicable whenever sound recordings are played as a main or special attraction, rather than for background music. i.e. Where music is being played for performance or Dancing irrespective of the source of music i.e. through phono device or a Disc Jockey.

Average Attendance	Tariff In Rs -As Per Duration of Usage										
	1hr	1.5hr	2hr	2.5 hr	3 hr	3.5 hr	4 hr	4.5 hr	5 hr	5.5. Hr	6 hr
0-75	150	263	375	477	567	651	729	803	870	932	989
76-100	263	375	488	590	680	764	842	915	983	1,044	1,101
101-125	375	488	600	702	792	876	954	1,028	1,095	1,157	1,214
126-150	450	563	675	777	867	951	1,029	1,103	1,170	1,232	1,289
151-175	525	638	750	852	942	1,026	1,104	1,178	1,245	1,307	1,364
176-200	600	713	825	927	1,017	1,101	1,179	1,253	1,320	1,382	1,439
201-225	675	788	900	1,002	1,092	1,176	1,254	1,328	1,395	1,457	1,514
226-250	750	863	975	1,077	1,167	1,251	1,329	1,403	1,470	1,532	1,589
251-275	825	938	1,050	1,152	1,242	1,326	1,404	1,478	1,545	1,607	1,664
276-300	900	1,013	1,125	1,227	1,317	1,401	1,479	1,553	1,620	1,682	1,739

Average Attendance	Tariff In Rs -As Per Duration of Usage										
	1hr	1.5hr	2hr	2.5 hr	3 hr	3.5 hr	4 hr	4.5 hr	5 hr	5.5. Hr	6 hr
0-75	130	228	325	413	491	564	632	696	754	807	857
76-100	228	325	423	511	589	662	729	793	852	905	954
101-125	325	423	520	608	686	759	827	891	949	1,002	1,052
126-150	390	488	585	673	751	824	892	956	1,014	1,067	1,117
151-175	455	553	650	738	816	889	957	1,021	1,079	1,132	1,182
176-200	520	618	715	803	881	954	1,022	1,086	1,144	1,197	1,247
201-225	585	683	780	868	946	1,019	1,087	1,151	1,209	1,262	1,312
226-250	650	748	845	933	1,011	1,084	1,152	1,216	1,274	1,327	1,377
251-275	715	813	910	998	1,076	1,149	1,217	1,281	1,339	1,392	1,442
276-300	780	878	975	1,063	1,141	1,214	1,282	1,346	1,404	1,457	1,507

Average	Tariff In Rs -As Per Duration of Usage									
	1hr	1.5hr	2hr	2.5 hr	3 hr	3.5 hr	4 hr	4.5 hr	5 hr	5.5. Hr

Attendance	1hr	1.5hr	2hr	2.5 hr	3 hr	3.5 hr	4 hr	4.5 hr	5 hr	5.5 Hr	6 hr
0-75	115	201	288	366	435	499	559	615	667	714	758
76-100	201	288	374	452	521	585	645	702	753	800	844
101-125	288	374	460	538	607	672	731	788	840	887	930
126-150	345	431	518	596	665	729	789	845	897	944	988
151-175	403	489	575	653	722	787	846	903	955	1,002	1,045
176-200	460	546	633	711	780	844	904	960	1,018	1,070	1,117
201-225	518	604	690	768	837	902	961	1,019	1,075	1,127	1,174
226-250	575	661	748	826	895	959	1,019	1,076	1,133	1,185	1,232
251-275	633	719	805	883	952	1,017	1,074	1,134	1,190	1,242	1,289
276-300	690	776	863	941	1,010	1,074	1,134	1,190	1,242	1,289	1,333

- a This tariff is applicable for the regular activities, where playing of sound recordings & music videos are the main feature of entertainment and includes music or music videos for entertainment, dancing; karaoke singing and any entertainment provided by disc jockeys.
- b The hours of record use per event is the actual time during which sound recording are played (up to the nearest half hour).
- c To enable PPL to calculate the rate you will pay you must provide three figures: how many hours recordings are played for at an event, the average attendance at that event and the number of events you have during the period.
- d This tariff is used whenever any activity is regular / periodic in nature and has a floating audience. For one-off's refer events license.

33 (A) EVENTS revised w.e.f. 01.10.2008
 Events where sound recordings are used as one of the main features of entertainment.

WITH SPONSORS / TICKETS / TITLE SPONSORS
 (which includes promotions / fashion shows / road shows and the like)

Average Attendance	Duration of Event						Every Add 1/2 hr.
	1/2hr	1 hr	1.5 hr	2hr	2.5 hr	3 hr	
Below 250	25,000	31,250	39,063	46,875	56,250	64,688	8,437
251-499	35,000	43,750	54,688	65,625	78,750	90,563	11,813
500-699	40,250	50,313	62,891	75,469	90,563	104,147	13,584
700-899	44,275	55,344	69,180	83,016	99,619	114,562	14,943
900-1099	47,596	59,495	74,368	89,242	107,090	123,154	16,064
1100-1299	51,165	63,957	79,946	95,935	115,122	132,390	17,268
1300-1599	53,724	67,154	83,943	100,732	120,878	139,010	18,132
1600-1999	56,410	70,512	88,140	105,768	126,922	145,960	19,038
2000-2499	58,666	73,333	91,666	109,999	131,999	151,799	19,800
2500-2999	61,013	76,266	95,332	114,399	137,279	157,871	20,592
3000-3499	62,843	78,554	98,192	117,831	141,397	162,607	21,210
3500-3999	64,728	80,911	101,138	121,366	145,639	167,485	21,846
4000-4499	66,670	83,338	104,172	125,007	150,008	172,509	22,501
4500-4999	68,670	85,805	109,381	131,257	157,509	181,135	23,626
5000-5499	70,004	87,505	112,115	134,539	161,446	185,663	24,217
5500-5999	71,754	89,692	114,918	137,902	165,482	190,305	24,822
6000-6499	73,548	91,935	117,791	141,350	169,620	195,062	25,443
6500-6999	75,386	94,233	120,147	144,177	173,012	198,964	25,952
7000-7499	76,894	96,118	122,550	147,060	176,472	202,943	26,471
7500-7999	78,432	98,040	125,001	150,001	180,002	207,002	27,000
8000-8499	80,001	100,001	126,251	151,501	181,802	209,072	27,270
8500-8999	80,801	101,001	127,514	153,016	183,620	211,163	27,543
9000-9499	81,609	102,011	128,789	154,547	185,456	213,274	27,818
9500-9999	82,425	103,031	130,077	156,092	187,310	215,407	28,097
For Every Block Of Additional 500 Audience	824	1,030	1,288	1,545	1,855	2,133	278

33 (B) EVENTS revised w.e.f. 01.10.2008
 Note: License for Events should be obtained at least 15 days prior to scheduled date of the event.
 Events where sound recordings are used as one of the main features of entertainment.

WITHOUT SPONSORS / TICKETS
 (which includes promotions / fashion shows / road shows and the like)

Average Attendance	Duration of Event						Every Add 1/2 hr.
	1/2hr	1 hr	1.5 hr	2hr	2.5 hr	3 hr	
Below 250	20,000	25,000	31,250	37,500	45,000	51,750	6,750
251-499	25,000	31,250	39,063	46,875	56,250	64,688	8,437
500-699	28,750	35,938	44,922	53,906	64,688	74,391	9,703
700-899	31,625	39,531	49,414	59,297	71,156	81,830	10,673
900-1099	33,997	42,496	53,120	63,744	76,493	87,967	11,474
1100-1299	36,547	45,683	57,104	68,525	82,230	94,564	12,334
1300-1599	38,374	47,967	59,959	71,951	86,341	99,293	12,951
1600-1999	40,293	50,366	62,957	75,549	90,659	104,257	13,599
2000-2499	41,904	52,380	65,476	78,571	94,285	108,428	14,143
2500-2999	43,581	54,476	68,095	81,714	98,056	112,765	14,708
3000-3499	44,888	56,110	70,137	84,165	100,998	116,148	15,150
3500-3999	46,235	57,793	72,242	86,690	104,028	119,632	15,604
4000-4499	47,622	59,527	74,409	89,291	107,149	123,221	16,072
4500-4999	50,003	62,503	78,129	93,755	112,506	129,382	16,876
5000-5499	51,253	64,066	80,082	96,099	115,319	132,617	17,298
5500-5999	52,534	65,668	82,085	98,501	118,202	135,932	17,730
6000-6499	53,847	67,309	84,137	100,964	121,157	139,330	18,174
6500-6999	54,924	68,656	85,819	102,983	123,580	142,117	18,537
7000-7499	56,023	70,029	87,536	105,043	126,052	144,959	18,908
7500-7999	57,143	71,429	89,287	107,144	128,573	147,858	19,286
8000-8499	57,715	72,144	90,179	108,215	129,858	149,337	19,479
8500-8999	58,292	72,865	91,081	109,297	131,157	150,830	19,674
9000-9499	58,875	73,594	91,992	110,390	132,468	152,339	19,870
9500-9999	59,464	74,330	92,912	111,494	133,793	153,862	20,069

For Every Block Of Additional 500 Audience	589	736	920	1,104	1,325	1,523	199
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33 (C) **EVENTS** revised w.e.f. 01.10.2008
 Events where sound recordings are used as one of the main features of entertainment.

EVENTS HELD FOR CHARITABLE CAUSES
 (which includes promotions / fashion shows / road shows and the like)

Average Attendance	Duration of Event						Every Add 1/2 hr.
	1/2hr	1 hr	1.5 hr	2hr	2.5 hr	3 hr	
Below 250	7,500	9,375	11,719	14,063	16,875	19,406	2,531
251-499	10,000	12,500	15,625	18,750	22,500	25,875	3,375
500-699	11,500	14,375	17,969	21,563	25,875	29,756	3,881
700-899	12,650	15,813	19,766	23,719	28,463	32,732	4,269
900-1099	13,599	16,998	21,248	25,498	30,597	35,187	4,590
1100-1299	14,619	18,273	22,842	27,410	32,892	37,826	4,934
1300-1599	15,350	19,187	23,984	28,780	34,537	39,717	5,180
1600-1999	16,117	20,146	25,183	30,220	36,263	41,703	5,440
2000-2499	16,762	20,952	26,190	31,428	37,714	43,371	5,657
2500-2999	17,432	21,790	27,238	32,685	39,222	45,106	5,883
3000-3499	17,955	22,444	28,055	33,666	40,399	46,459	6,060
3500-3999	18,494	23,117	28,897	34,676	41,611	47,853	6,242
4000-4499	19,049	23,811	29,764	35,716	42,859	49,288	6,429
4500-4999	20,001	25,001	31,252	37,502	45,002	51,753	6,750
5000-5499	20,501	25,626	32,033	38,440	46,128	53,047	6,919
5500-5999	21,014	26,267	32,834	39,401	47,281	54,373	7,092
6000-6499	21,539	26,924	33,655	40,386	48,463	55,732	7,269
6500-6999	21,970	27,462	34,328	41,193	49,432	56,847	7,415
7000-7499	22,409	28,011	35,014	42,017	50,421	57,984	7,563
7500-7999	22,857	28,572	35,715	42,858	51,429	59,143	7,714
8000-8499	23,086	28,857	36,072	43,286	51,943	59,735	7,791
8500-8999	23,317	29,146	36,432	43,719	52,463	60,332	7,869
9000-9499	23,550	29,437	36,797	44,156	52,987	60,935	7,948
9500-9999	23,785	29,732	37,165	44,598	53,517	61,545	8,028
For Every Block Of Additional 500 Audience	235	294	368	442	530	610	80

Mega Events - All Events where Celebrities perform shall be treated as a Mega Event, the tariff shall be calculated as below Basic as per above + the % premium.

Category	No. Of Celebrities			
	1	2~5	5~10	more than 10
With Ticket & Sponsor	50%	75%	100%	150%
Without Ticket & Sponsor	30%	50%	60%	100%

33(D) **EVENTS-- Birthday & Other Functions in a commercial premises where DJ is used**
 (w.e.f. 01.10.2008)

Venue	DJ Performance Rs.
5 STAR	20000
2 ~ 4 STAR	10000
Others	5000

33(E) **EVENTS-- College Festivals**
 (w.e.f. 01.10.2008)

No of Days	Sponsored / Ticketed		Without Sponsor	
	Rs.		Rs.	
1	10000		7500	
2	18000		12500	
3	25000		16500	
4	31000		20000	
5	36000		23000	
6	41000		25000	
7	45000		27000	

33(F) **EVENTS-- Product or Brand Launches**
 (w.e.f. 01.10.2008)

Venue	Without Celebrity Performer		With Celebrity Performer *	
	Only During Launch	Launch + Party	Only During Launch	Launch + Party
5 STAR	22500	30000	50000	75000
2 ~ 4 STAR	15000	20000	35000	50000
Others	10000	15000	20000	30000

* Celebrity Performer is an Artist who is part of the activity, he might or might not perform on music and and may or may not be associated with the Brand as a Brand

33(G) **EVENTS-- Road Shows - Marketing / Demonstration of a product at multi outdoor location**
 (w.e.f. 01.10.2008)

No Of Days	Rate
1	Rs 5000 per day
2 ~ 5	Rs. 5000 + Rs.3000 per day for every day between 2nd & 5th day.
6 ~ 10	Rs. 17000 + Rs. 2000 per day for every day between 6th to 10th day
more than 10	Rs. 27,000 + Rs. 1000 per day for every day after 10th day.

The above is available only when booked together and has to be part of one campaign.

33(H) **EVENTS-- Mega Sport Events**
 (w.e.f. 01.10.2008)

	Without	With Celebrity Performance
--	---------	----------------------------

No of Spectators	Celebrity Performance	only 1 celeb	more than 1 celeb
		Rs.	Rs.
Up to 10000	25000	50000	75000
10000 ~ 30,000	50000	100000	150000
30,000 to 50,000	75000	150000	200000
more than 50,000	100000	200000	300000

PART C: TEMPORARY EMBODIMENT/ STORAGE/ TRANSFER/ HIRE

51 **Disc Jockey (DJ)/ Sound Equipment Service Provider** (revised w.e.f. 01.10.2008)

No of Tracks	Annual Fees
Up to 250 Tracks	Rs 7,500
250 ~ 500 Tracks	Rs 12,500
500 + Tracks	Rs 15,000

52 **Content Aggregators, for telephony, mobile, etc.** (revised w.e.f. 01.10.2008)

No of Unique Tracks per annum	Annual Storage Fees Per Server
Up to 200	Rs. 30,000
201 ~500	50,000
501 ~750	70,000
751 ~1000	85,000
more than 1000	100,000

53 **Webcasters (internet web-sites)** (revised w.e.f. 01.10.2008)

No of Tracks	Annual Storage Fees
Up to 500	Rs 50,000
501-750	Rs 70,000
750-1000	Rs 85,000
1000 - 1500	Rs 100,000
1501-2000	Rs 125,000
More than 2000	Rs 25,000 per 500 songs

54 **Retail Juke Boxes** (revised w.e.f. 01.10.2008)

Rs 1 per track or 25% of trackplaying fees subject to a minimum as below

No. of tracks	Fees Per Location per month, Rs.		
	Less than 50 locations	51-100 locations	100 + locations
300	3,000	2,550	2,300
350	3,375	2,825	2,550
400	3,700	3,100	2,800
up to 500 Tracks	4,350	3,650	3,300
501 -1000	7,600	6,400	6,000
Cost per additional Track	7.60	6.40	6.00

55 **Aggregators for Inflight Entertainment services** (w.e.f. 01.10.2008)

20% of Gross Revenue of the Aggregator.

56 **Music service providers for Hotel & other Retail - Non subscribers** (w.e.f. 01.10.2008)

Services means the supply of Sound Recordings to Subscribers in the Territory from the Central Database to

A) Central Server (if the content is stored for loading at the sublicensed Premises

No of Tracks	Annual Storage Fees
Up to 500	Rs 50,000
501-750	Rs 70,000
750-1000	Rs 85,000
1000 - 1500	Rs 100,000
1501-2000	Rs 125,000
More than 2000	Rs 25,000 per 500 songs

B) Central Servers (if the content is streamed from the Central server to Retail premises

In addition to the above in 53A, the Licensee shall pay 20% of the Gross revenue generated from the distribution

2 - Onsite Servers (if Stored at the Sublicensed Premises)

In addition to the above in 56(A) , the Licensee shall pay
(i) 20% of the revenue generated by the Licensee per month

57 **Music Service providers for Hotels - Subscription i.e. paid by the Subscribers**

Where a Subscriber and the Guests in the Subscriber's Hotels are provided for the payment of a single fee with a bundle of services that include the Service:

(i) the Gross Revenue shall be calculated by only using 30% of the Funds derived from the provision of that bundle of services

General Conditions of Embodiment/Storage/Transfer Licenses

- This License allows the Licensee the temporary right to dub & store the sound recording on a new Carrier.
- This License allows the Licensee to aggregate and create compilation on a single playing device,
- Such compilation or aggregation to be used only for public performance at a licensed site/ venue and
- Such compilation or new aggregated sound recording not be released in public or distributed to any
- The License is based for a 12 month period temporary storage and has to be renewed after every 12
- In case the License does not renew on expiry of 12 months, the right to store shall cease to exist and

- vii. This License does not allow the Licensee to communicate or perform in public, for which a separate
- viii. The Gross License means the revenue generated by the Licensee and includes revenue generated by
- ix. The License is not a Precedental and the Licensor reserves the right to renew it or not.

PART D: DISCOUNTS (subject to sole discretion of PPL)

A Geographical Discount (Only available in select categories)

Category of City	Region		East	West	North East
	North	South			
A+	0.00%	0.00%			
A	0.00%	0.00%			
B	10.00%	10.00%			
C	12.50%	12.50%			
D	15.00%	15.00%	0.00%	0.00%	0.00%
E	20.00%	20.00%	10.00%	0.00%	10.00%
			12.50%	10.00%	12.50%
			15.00%	12.50%	15.00%
			20.00%	15.00%	20.00%
			25.00%	20.00%	25.00%

B Period Based

Multiple Years more than 1 year

1 year	2 years	3 years
0	10%	12.50%

Prior Period

In Background

4 years	5 years
15%	20%

6 month to 1 year	7.50%
3 month to 6 months	5%
1 to 3 months	3%
Less than 1 months	0%

In Events	
more than 1 month	15%
15 days to 30 days	10%
7 days to 15 days	7.5%
Less than 7 days	5%

Annexure E



PHONOGRAPHIC
PERFORMANCE LTD.

Phonographic Performance Ltd.

Regd. Office and Head Office:
Crescent Towers, 7th floor,
B/68, Veera Estate, Off New Link Road
Andheri West, Mumbai 400 053

Branch offices:
Delhi; Kolkata; Chennai; Chandigarh; Hyderabad; Bangalore

Bankers:
State Bank of Mysore, Lokhandwala Branch, Mumbai
Standard Chartered Bank, M.G. Road, Mumbai

Auditors:
Price Waterhouse, Mumbai
Chartered Accountants

Advocates & Solicitors:
Bilawala & Co., Mumbai
Luthra & Luthra, Delhi

Board of Directors:
Kumar S. Tauraani – Chairman *Tips*
Apurv Nagpal *Saregama*
Ganesh Jain *Venus*
Rajat Kakar *Universal*
Shridhar Subramaniam *Sony*
T. Suresh *EMI-Virgin*
Umesh Gupta *Aditya*

Registered as a 'Copyright Society' with Govt. of India

Registration no. CS/03/SOUND RECORDINGS/96

Website: www.pplindia.org

REPORT OF THE DIRECTORS ON THE WORKING OF THE
COMPANY FOR THE YEAR ENDED 31st March 2009

PRINCIPAL ACTIVITIES

As members are aware and as reported earlier also, your Company functions as the registered "copyright society" permitted by the Government of India to carry on copyright business in sound recordings; and functions in accordance with the Copyright Act and the Copyright Rules. This Directors Report also constitutes the full and detailed account of all the Society's activities during the previous year in relation to the rights of the owners, as per the Copyright Rules 1958.

FINANCIAL RESULTS

Profit for the year before tax	Rs. 1,82,30,157
LESS:	
Current Tax (incl. Rs.13,84,411 of earlier year)	Rs. 68,84,411
Deferred Tax	Rs (2,63,972)
Fringe Benefit Tax	Rs. 14,66,000
ADD:	
Balance brought forward from last year	Rs. 1,49,75,467
Proposed transfer to General Reserve	Rs. NIL
Balance as per Profit and Loss Account	Rs. 2,51,19,185

REVENUE

The Royalty revenue (of members) in the current year was Rs 137.29 crores (previous year Rs 114.20 crores). Other Income, comprising mainly Interest earned on security deposits and on temporary cash surpluses, in the current year was Rs. 1.33 crores (previous year Rs. 1.01 crores).

BROADCASTING - A.I.R.

Your Company has entered into a new agreement with All India Radio, with revised financial terms. The reporting system and payments from AIR continues to be erratic and the same is continued to be accounted for on cash basis in view of significant uncertainty as to ascertainment of accruals

BROADCASTING- PRIVATE FM

As of now, around 250 private FM radio stations are operational. However, a few of them are broadcasting our repertoire without licence; the Company is contemplating legal action as well as representation to the Ministry of I&B against these stations. The Company is facing payment delays from a few FM stations and is following up on the same.

A recent econometrics study (commissioned by your Company) by Prof. Amit Shovon Ray, D.Phil (Oxon), FRSH, Chair Professor of Trade, Technology and Competitiveness with ICRIER

(Indian Council for Research on International Economic Relations), New Delhi and Professor of Economics at Jawaharlal Nehru University (JNU), New Delhi, has upheld what has all along been the contention and viewpoint of your Company and of its music company members viz. that the growth in the number of FM radio channels is instrumental in causing the decline in the sale of physical formats (audio CDs and cassettes) in India and that FM penetration has adversely affected music sales in India. This needs to be viewed in the light of the proposed Phase III licensing roll-out.

PUBLIC PERFORMANCE

During the year, your company has continued to grow this activity. The collections from Background, storage/transfer and Events streams increased to Rs. 22.12 crores (previous year Rs. 16.98 crores), a growth of 30%, which is commendable in the face of the challenging economic environment.

MOBILE & DIGITAL (INCLUSIVE OF RINGTONE, RING-BACK TONE, STREAMING, IVR, JUKE-BOX ETC.)

Members are aware that the number of mobile phone users has grown steadily, but accompanied by a declining ARPU. The company is continuing its efforts to establish better and fairer valuation for the content and more transparent reporting from the operators and aggregators. Revenue under Mobile & Digital streams increased by 42% to Rs. 99.13 crores (previous year Rs. 69.46 crores). Mobile radio (streaming) business has picked up. At the same time, ringtone business suffered on account of piracy. The Company is facing payment delays from a few content aggregators and is following up on the same.

BUSINESS OUTLOOK

Your Directors recommend that "public performance" is to be taken up as a focus area for the near future, as there is a large untapped potential. This requires commitment towards investments towards physical infrastructure, systems and manpower. Though Mobile business has shown good growth, a large share is from Caller Ring-back Tunes. Mobile radio and other innovative solutions need to be worked upon and we should prepare for the new technologies including 3G which throws open opportunities for full-track downloads etc.

ANTI-PIRACY

The scourge of piracy, which has so far impacted physical audio and video discs, has, in the last few years, spread to the non-physical usage of music. The forms the piracy has taken are many: public performance at hotels, events, shows etc. by event organisers, DJs, establishment-owners etc. without taking prior licence; illegal downloading or copying or distribution of mobile ringtones; illegal webcasting or streaming of music by web-sites; illegal storage or transfer of music by DJs or content-aggregators, etc. As members are aware, your Company became a member of the reputed IMI (The Indian Music Industry) body from 1.4.2007, whose anti-piracy wing is headed by Mr. J.F. Ribeiro, IPS (Retd). Your Directors are happy to report that IMI has continued to do good work in non-physical anti-piracy, thus significantly benefiting the Members and the industry in general.

LITIGATIONS

During the year your company continued to take recourse to take action against infringements. As the members are aware, PPL has secured landmark judgements in the interest of the copyright owners. In the last 2 years, the fees charged by lawyers and counsels have shot up, thus increasing our legal costs. Some of the more important on-going cases are highlighted below.

1. Litigations related to Public Performance:

- (i) Civil Cases: In all, a total of 63 cases are in court -- in 37 cases PPL is the plaintiffs; in 26 cases, PPL is defendant. Injunction granted in favour of PPL and against defendants in about 14 cases. No injunction against PPL except in 6 writ petitions of 2005 by clubs filed in Madras High Court.
- (ii) New Year Eve Functions on or around 31-Dec-2008 : PPL had filed Suits in 8 Cities for payment of Special Event License fees. With 1 exception, PPL either secured favourable injunction order or the defendants settled or paid.
- (iii) Representative Suits at Bangalore: PPL has filed 3 Representative Suits against Hotels, Restaurant and shops category in 2004. They have reached evidence stage.
- (iv) Background Music use: Notices and Suits: Notices sent to 931 entities mostly in Northern region. PPL is getting good response for such notices sent in all over India. Awareness about PPL license much higher due to this exercise.
- (v) PPL has filed Criminal Cases against F.M. radio Broadcasters at Gwalior & Ajmer. Presently, 16 Criminal cases pending against Hotels and Restaurants in Chief Metropolitan Magistrate court in Andheri (E).
- (vi) Federation of Hotels and Restaurant Association of India (FHRAI) v Union of India & Ors. : In the following ongoing matters few hearings were held during the year and the matters are now clubbed and the matter has reached final hearing stage. Arguments of the petitioners and PPL are completed. Arguments on behalf of second Respondent i.e. IPRS are not over.
 - (a). Civil Writ Petition 452/1999
 - (b). FHRAI Vs Union Of India & Ors- W.P no 23787-789 of 2005
 - (c). National Restaurants Association of India Vs Union of India & Ors- CWP 24533-629 of 2005
- (vii) Writ petitions by Hotel & Restaurant Association of Rajasthan , Gujrat & Goa vs Union of India & Ors before High courts at Jaipur, Ahmedabad & Goa filed by respectively challenging certain provisions of the Copyright Act . PPL has taken steps to defend itself. No order has been passed in any of these W.P.
- (viii) In an appeal in PPL Vs Gold Regency case, the Division Bench of Delhi High Court vide order dated 3.11.08 held that the Copyright societies are entitled to file civil suits (Injunction, damages & accounts) on behalf of its members.

2. Litigations related to Broadcasting:

- (i) Compulsory licensing for private FM radio: Special Leave Petition filed by PPL in Supreme Court for interpretation of Sec. 31 of Copyright Act, 1957 was decided by The

Hon'ble Supreme court by its order dated 16.5.2008 held that any broadcaster who considers that the tariff of owner (Represented by PPL) is unreasonable to him can approach the Copyright Board with an application for Compulsory License. The Hon'ble Supreme court has remanded the 2002 cases for compulsory Licenses back to the Copyright Board for reconsideration. In addition, 3 more broadcasters have filed applications for compulsory License before the Copyright Board. The matters were first listed in July 2008; pleadings are complete and the evidence of Plaintiffs is going on.

(ii) Following two entities continue to pay License fees as per the court orders as stated below:- .

- (a) In Suit no. 1588 of 2007 against Entertainment Network India Ltd in Bombay High Court, which relates to ENIL's applying the 2003 Calcutta High Court Order to the new Phase II F.M stations, the Court has not passed interim order and the hearing of the suit is pending.
- (b) PPL's Review Petition in Kolkata High Court against Radio Today Broadcasting (Mumbai, Delhi and Kolkata), which relates to their continuance to pay to pay royalty @ Rs 400/- per needle hour (no bank guarantee) as per 2003 Order of the Calcutta High Court, has not come up for hearing.

(iii) Litigations, jointly along-with IPRS society, are pending against Zee TV network in Delhi high court.

INDIRECT TAXES

i) The Maharashtra Sales Tax Tribunal passed the Order dated June 19, 2009 that the impugned transactions (that is to say, licences issued by your company to licencees against fees) cannot be termed as a "transfer of right to use" to come in the clutches of 'sale' contemplated u/s 2(24) read with explanation (iv) of the MVAT Act. Based on this Order, the Company had filed an application in Form 103, dated August 6, 2009 for cancellation of VAT registration; the Company has received Order cancelling VAT registration dated August 21, 2009. [Refer Note 10 to Schedule M].

ii) In respect of non-provision for Service Tax, the Auditors remarks in their Report, read along with Note 11 to Schedule M, are self explanatory. The Company has filed a reply to the show-cause-cum- demand notice; hearing is awaited.

DIRECTORS

Mr. Apurv Naggal (of Saregama India Ltd) joined as Director during the year. Mr. Kumar S. Tauraani (of Tips), Mr. Ganesh Jain (of Venus) and Mr. T. Suresh (of EMI-Virgin) retire at this Annual General Meeting by rotation and being eligible offer themselves for re-election.

AUDITORS

M/s. Price Waterhouse, Chartered Accountants, Mumbai, being eligible, are recommended for re-appointment on a remuneration as may be fixed by the Board of Directors.

ADDITIONAL INFORMATION

- A) The additional information required to be disclosed under the Companies (Disclosure of Particulars in the Reports of the Board of Directors) Rules 1988 is set out in the statement annexed hereto (Annexure-A) and forms part of this Report.

B) As stipulated in section 217 (2AA) of Companies Act, 1956, your Directors subscribe to the Director's Responsibility Statement and confirm as under:

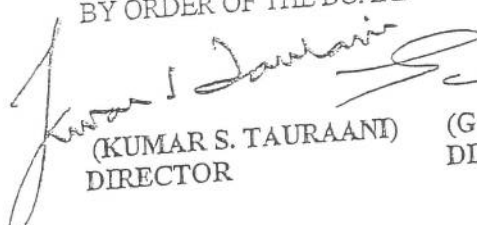
- i) that in the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period.
- iii) that the Directors have taken proper and sufficient care of the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities; and
- iv) that the Directors have prepared the annual accounts on a going concern basis


EMPLOYEE PARTICULARS

During the year, many training programmes were conducted for development of key employees. A statement giving particulars of the employees as required under section 217(2A) of the Companies Act, 1956, is not required as remuneration of none of the employees exceeds the prescribed limit.

Mumbai, 7th September 2009

BY ORDER OF THE BOARD


(KUMAR S. TAURAANI)
DIRECTOR


(GANESH JAIN)
DIRECTOR