



Product Pricing Policy – Broadcasters FY 2022-23

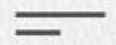
The Cess/ Base Price Model – Details

- Flat Cess (as a % of net TV advertising billing) to be charged to Broadcasters OR Base Price – whichever is higher
 - Formula :
 - 0.8% of net TV advertising billing
- OR
- Rs. 18 Lacs per Channel per annum – whichever is higher
- In cases where signatories of EULA form part of a group entity, the pricing of 0.8% of net TV advertising billing shall be applicable to all said entities.
 - Payment for all services to be done in advance.





Few examples: Cess/ Base Price Model – Scenario 1

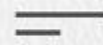


Network A with 2 channels with a combined net advertising revenue of 50 CRs will have an annual subscription fee of 40 lacs (at 0.8%).

Particulars	SOW
No Of Days	365
No. of Channels	2
Channel Price (pro-rated)-- A1	₹ 36,00,000
Previous Channel Count	0
Previous Channel Price (pro-rated) --A2	0
Total Channel Price A=A1+A2	₹ 36,00,000
Revenue -- B1	₹ 50,00,00,000
Old Revenue -- B2	0
Total Revenue B=B1+B2	₹ 50,00,00,000
0.8% of B	₹ 40,00,000
Base License Fee -- C = Greater of A & B	₹ 40,00,000



Few examples: Cess/ Base Price Model – Scenario 2



Network B with 2 channels with a combined net advertising revenue of 5 CRs will have an annual subscription fee of 36 lacs (2 channels X 18 lacs per channel pa = 36 lacs)

Note that at 0.8 % of net advertising revenue the amount would have been 4 lacs only but the minimum fee per channel is 18 lacs p.a.

Particulars	SOW
No Of Days	365
No. of Channels	2
Channel Price (pro-rated)-- A1	₹ 36,00,000
Previous Channel Count	0
Previous Channel Price (pro-rated) --A2	0
Total Channel Price A=A1+A2	₹ 36,00,000
Revenue -- B1	₹ 5,00,00,000
Old Revenue -- B2	0
Total Revenue B=B1+B2	₹ 5,00,00,000
0.8% of B	₹ 4,00,000
Base License Fee -- C = Greater of A & B	₹ 36,00,000



Few examples: Cess/ Base Price Model – Scenario 3

Network C with 2 channels with a combined net advertising revenue of Rs. 12 Cr will have annual subscription fee of 36 lacs (at a minimum of Rs.18 lacs per annum).

On 1st October 2021, the network launches a new channel with a projected revenue of 2 Cr. For the same financial year, then the billing for the Network for the Financial Year will be a total of ~45 lacs (2 channels annual = 36 lacs + 1 channel for 6 months = 9 lacs; resulting in a total of ~ 45 lacs.).

In this case the 0.8% of total revenue (of 14 Cr) would have been 11.2 lacs, lower than the 18 lacs per channel p.a. policy.

Particulars	SOW	Addendum
No Of Days	365	182
No. of Channels	2	1
Channel Price (pro-rated)-- A1	₹ 36,00,000	₹ 8,97,534
Previous Channel Count		2
Previous Channel Price (pro-rated) --A2		₹ 36,00,000
Total Channel Price A=A1+A2	₹ 36,00,000	₹ 44,97,534
Revenue -- B1	₹ 12,00,00,000	₹ 2,00,00,000
Old Revenue -- B2		₹ 12,00,00,000
Total Revenue B=B1+B2	₹ 12,00,00,000	₹ 14,00,00,000
0.8% of B	₹ 9,60,000	₹ 11,20,000
Base License Fee -- C = Greater of A & B	₹ 36,00,000	₹ 44,97,534



Few examples: Cess/ Base Price Model – Scenario 4

Network D has 2 channels with a combined net advertising revenue of 50 CRs and launched 2 channels on 1st October 2021 with no incremental revenue, then the initial billing of Rs.40 lacs (at 0.8% of the advertising revenue) will be revised to ~ Rs.53.96 lacs based on Rs. 18 lacs per channel pa calculation.

Particulars	SOW	Addendum
No Of Days	365	182
No. of Channels	2	2
Channel Price (pro-rated)-- A1	₹ 36,00,000	₹ 17,95,068
Previous Channel Count		2
Previous Channel Price (pro-rated) --A2		₹ 36,00,000
Total Channel Price A=A1+A2	₹ 36,00,000	₹ 53,95,068
Revenue -- B1	₹ 50,00,00,000	₹ 0
Old Revenue -- B2		₹ 50,00,00,000
Total Revenue B=B1+B2	₹ 50,00,00,000	₹ 50,00,00,000
0.8% of B	₹ 40,00,000	₹ 40,00,000
Base License Fee -- C = Greater of A & B	₹ 40,00,000	₹ 53,95,068



Few examples: Cess/ Base Price Model – Scenario 5

There are two entities, i.e., Entity A with 10 channels and net advertising revenue of INR 500 Cr, and Entity B with 5 channels and net advertising revenue of INR 20 cr). Both Entity A and B are signatories to EULA.

Individually, the billing of Entity A will fall under 0.8% of net advertising revenue (0.8% of INR 500 cr i.e., INR 4 cr), and Entity B will fall under fixed fee (INR 18 lakhs per channel, i.e., INR 0.9cr).

If the above two entities are part of a group Entity (Entity D) with combined 15 channels and combined revenue of INR 520 Cr, the individual entities A and B become eligible for billing at 0.8% of net advertising revenue of INR 520 Cr.

Scenario 5(a) – Where Entity A and Entity B are not part of Group Entity D

Particulars	Entity A	Entity B
No. of Channels	10	5
Revenue -- X	₹ 500,00,00,000	₹ 20,00,00,000
0.8% of X	₹ 4,00,00,000	
INR 18 lakhs per channel (5* 18,00,000) (Y)		₹ 90,00,000
Total billing for Entity A and Entity B (X+Y)	₹ 490,00,000	

Scenario 5(b) – Where Entity A and Entity B are part of Group Entity D *

Particulars	Entity A	Entity B
No. of Channels	10	5
Revenue -- X	₹ 500,00,00,000	₹ 20,00,00,000
Average per channel revenue for Group Entity (i.e. 5,20,00,000/ 15)		₹34,66,66,667
0.8% of X	₹ 4,00,00,000	₹16,00,000
Total billing for Entity A and Entity B	₹ 4,16,00,000	

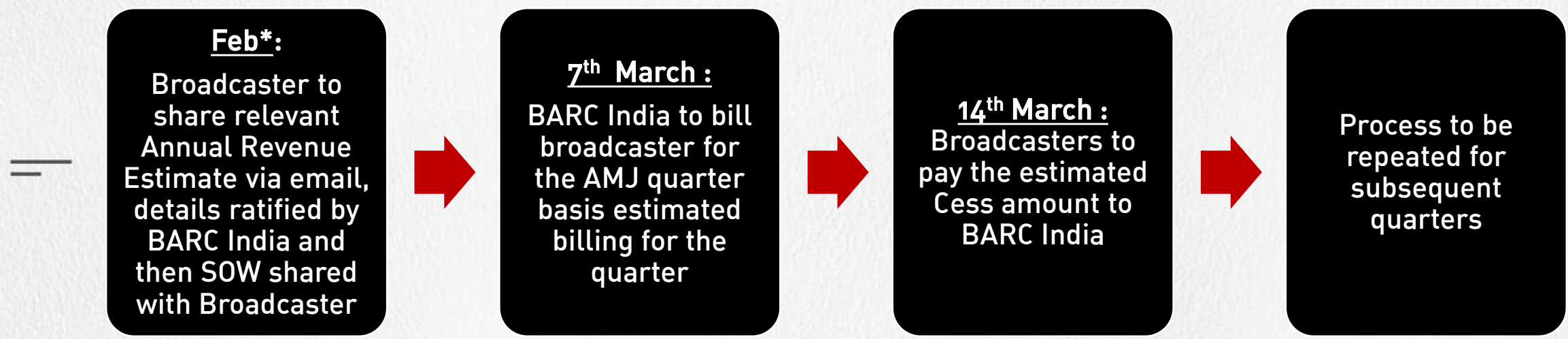
***Notes:**

- Group Entity D will have to provide supporting to show that Entity A and Entity B are part of this Group Entity.
- Average per channel revenue should be more than INR 22.5 Cr.



How will it work?

- BARC India to invoice broadcasters before the quarter basis estimated Cess. The brief process for one quarter (April-June) is defined below:



- The amount to be paid within 7 days from the invoice date.
- Reconciliation of actual billing vs estimated billing at the end of each financial year and adjustment, if any, to be done post submission of audited/certified Revenue.

Subscription Process Flow SOW Renewal/Submission



Pricing Widget Preview



BARC SUBSCRIPTION

PLEASE UPDATE YOUR PROFILE

Company Name	<input type="text" value="Asean Channel"/>
Contact Name	<input type="text" value="MS"/>
Country	<input type="text" value="India"/>
Address line 1	<input type="text" value="abcpqr"/>
City	<input type="text" value="xyz"/>
PAN	<input type="text" value="zzzCR3580Q"/>
TAN	<input type="text" value="PTER02242C"/>
GST	<input type="text"/>
Service Tax Number	<input type="text" value="PQR3580PST001"/>

Email	<input type="text" value="milind.sattur@gmail.com"/>
Mobile	<input type="text" value="9876543210"/>
State	<input type="text" value="Gujarat"/>
Address line 2	<input type="text"/>
Pincode	<input type="text" value="400016"/>
Please attach your PAN document here	<input type="button" value="Choose File"/> No file chosen
Please attach your TAN document here	<input type="button" value="Choose File"/> No file chosen
Please attach your GST document here	<input type="button" value="Choose File"/> No file chosen

START DATE : *(mm/dd/yyyy)*

PLEASE SELECT THE WATERMARKED CHANNELS YOU RUN

[Test Broadcaster1](#)



Periodic Review

- Any change in Cess % to be reviewed & approved by the BARC Board.
- With every change in the base cost due to change in operating expenses, other costs, etc, the Cess % will be revised accordingly.



Prime Package

Aud View

- Timeband
 - Daypart analysis
 - Continuous , Discontinuous, Trend
- Program
 - Ranking & highlights, Trends, Average
 - Top : Ascending / descending
 - Break ratings
- Promos
 - Tracking
- Flexible Reporting

Ad View

- Viewership analysis across
 - Sectors
 - Categories
 - Brands
- Micro level reporting
 - Sub brand
 - Variant
- Campaign Tracking
 - Spot listing
 - GRPs
 - Reach & Frequency

Plan View

- Campaign planning
- Planning Vs actual analysis



Aud View

- Switching Grid
 - In, Out, In & Out analysis
- Individual Analysis
 - SMH, Duplication etc
- Behavioural Target

Plan View

- Campaign optimiser at:
 - GRP
 - Reach & Frequency
- Multi-target optimisation



Summary of Offerings

Prime Package

- AudView
 - Time band
 - Program
 - Promos
- AdView
 - Ad spots
- PlanView
 - Plan builder

Supreme Package

- AudView
 - Switching Grid
 - Individual Analysis
 - Behavioural Targeting
- PlanView
 - Optimiser

Other Offerings – Illustrative List (at additional cost)

- SpotTrek (Commercial)
- SpotTrek (Commercial + Promo)
- SpotTrek Certification
- Preview
- Bio Music
- Language Feed
- TBR Data
- Special Promo Coding
- Historical Data
- Broadcast India

Only Prime Package and Supreme Package for Broadcasters is part of fees



User License fees - costing

Subscriber Annual Revenue Band (Figs in INR Crs)	Count of Licences (Max) No of Individual users <u>bundled</u> in fees
0-100	10
100-200	15
200-500	25
500-1000	30
1000-1500	50
1500-2000	200
2000-3000	400
3000-5000	450
5000+	500

Incremental User cost of Rs.60,000/- per user per annum over the above free users



Pricing computation will be as follows:

- **Broadcasters** : 0.8% on Net advertisement billing OR Rs.18 Lacs per Channel per annum – whichever is higher.
- Fees include both **Prime Package and Supreme Package** (AudView + PlanView).
- Fixed no. of user licenses bundled in fees. Incremental cost for extra licenses.
- “**Other Offerings**” are not part of the Prime Package and Supreme Package.



Recap – EULA



- Please note that every new SOW and Addendum needs to be signed by all broadcasters.
- A signed EULA will remain applicable for its 3-year tenure.
- • BARC will inform subscribers as and when they need to sign a new EULA.

Stamp Duty

Article 5(h-A)(iv) enumerates Stamp duty on an agreement creating an obligation, right or interest and having value but not covered under any other article.

Stamp Duty payable as per the above article is an under -

- If the amount agreed does not exceed Rs.10 lakhs – 0.1% of the total value of the contract/agreement.
- In any other case – 0.2% of the total value of the contract/agreement.



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THANK YOU!



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