



Product Pricing Policy – Broadcasters FY 2024-25

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. 20 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 60 Crs will have an annual subscription fee of 48 lacs (at 0.8%).

Particulars	SOW
No Of Days	365
No. of Channels	2
Channel Price (pro-rated)-- A1	₹ 40,00,000
Previous Channel Count	0
Previous Channel Price (pro-rated) --A2	0
Total Channel Price A=A1+A2	₹ 40,00,000
Revenue -- B1	₹ 60,00,00,000
Old Revenue -- B2	0
Total Revenue B=B1+B2	₹ 60,00,00,000
C = 0.8% of B	₹ 48,00,000
Base License Fee -- D = Greater of A & C	₹ 48,00,000



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 40 lacs (2 channels X 20 lacs per channel pa = 40 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 20 lacs p.a.

Particulars	SOW
No Of Days	365
No. of Channels	2
Channel Price (pro-rated)-- A1	₹ 40,00,000
Previous Channel Count	0
Previous Channel Price (pro-rated) --A2	0
Total Channel Price A=A1+A2	₹ 40,00,000
Revenue -- B1	₹ 5,00,00,000
Old Revenue -- B2	0
Total Revenue B=B1+B2	₹ 5,00,00,000
C = 0.8% of B	₹ 4,00,000
Base License Fee -- D = Greater of A & C	₹ 40,00,000



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 40 lacs (at a minimum of Rs.20 lacs per annum).

On 1st October 2024, 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 ~50 lacs (2 channels annual = 40 lacs + 1 channel for 6 months = 10 lacs; resulting in a total of ~ 50 lacs.).

In this case the 0.8% of total revenue (of 14 Cr) would have been 11.2 lacs, lower than the 20 lacs per channel p.a. policy.

Particulars	SOW	Addendum
No Of Days	365	182
No. of Channels	2	1
Channel Price (pro-rated)-- A1	₹ 40,00,000	₹ 9,97,260
Previous Channel Count		2
Previous Channel Price (pro-rated) --A2		₹ 40,00,000
Total Channel Price A=A1+A2	₹ 40,00,000	₹ 49,97,260
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
C = 0.8% of B	₹ 9,60,000	₹ 11,20,000
Base License Fee -- D = Greater of A & C	₹ 40,00,000	₹ 49,97,260

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Few examples: Cess/ Base Price Model – Scenario 4

Network D has 2 channels with a combined net advertising revenue of 60 CRs and launched 2 channels on 1st October 2024 with no incremental revenue, then the initial billing of Rs.48 lacs (at 0.8% of the advertising revenue) will be revised to ~ Rs.59.94 lacs based on Rs. 20 lacs per channel pa calculation.

Particulars	SOW	Addendum
No Of Days	365	182
No. of Channels	2	2
Channel Price (pro-rated)-- A1	₹ 40,00,000	₹ 19,94,520
Previous Channel Count		2
Previous Channel Price (pro-rated) --A2		₹ 40,00,000
Total Channel Price A=A1+A2	₹ 40,00,000	₹ 59,94,520
Revenue -- B1	₹ 60,00,00,000	₹ 0
Old Revenue -- B2		₹ 60,00,00,000
Total Revenue B=B1+B2	₹ 60,00,00,000	₹ 60,00,00,000
C = 0.8% of B	₹ 48,00,000	₹ 48,00,000
Base License Fee -- D = Greater of A & C	₹ 48,00,000	₹ 59,94,520



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 20 lakhs per channel, i.e., INR 1cr).

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 20 lakhs per channel (5* 20,00,000) (Y)		₹ 1,00,00,000
Total billing for Entity A and Entity B (X+Y)	₹ 5,00,00,000	

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. 520,00,00,000/ 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	

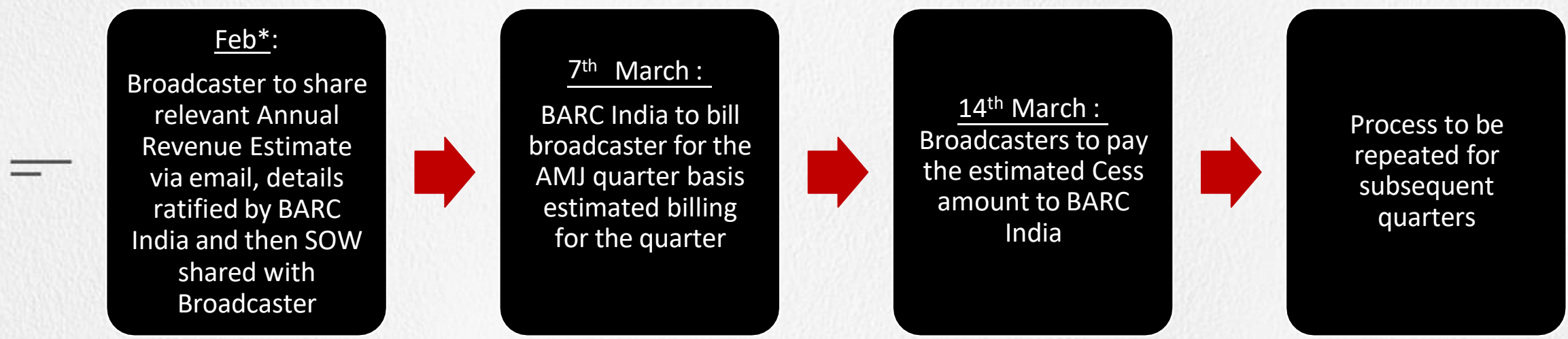
*Notes:

- 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 25 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



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
- 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
500-1,000	30
1,000-1,500	50
1,500-2,000	200
2,000-3,000	400
3,000-5,000	450
5,000+	500

Notes*:

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

If the Subscriber Annual Revenue is a figure which is common to two revenue bands (i.e. 100, 200 etc) then the higher revenue band will be applicable for issuing free count of YUMI Licences.



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 is to be paid **by the Subscriber** for both EULA and SOW.
- The stamp duty to be paid for EULA shall be ₹ 500 for main copy & ₹ 100 for 2nd copy)
- The stamp duty to be paid for SOW shall be -
 - i) 0.1% of the License Fees if the value of SOW is less than 10 lacs; and**
 - ii) 0.2% if the value of SOW is 10 lacs and above.**
- Upon submission of the proof of payment, BARC shall reimburse 50% of the stamp duty so paid **to the Subscriber**.

THANK YOU!



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