

**HRM's OFFICE**

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A delegation led by Shri Javed Akhtar and other personalities from the Film Industry met Hon'ble HRM today alleging grave irregularities by the Indian Performing Right Society in the accumulation of undistributed royalties. The allegations may be examined and appropriate action be taken immediately after informing Hon'ble HRM.

*Umashankar*

(V. Umashankar)  
PS to HRM  
24.12.2010

Secretary (HE)  
Joint Secretary (ICC)

*Sir CR*

*27-12-10*

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The Hon'ble Minister  
For Human Resource Development  
Shastri Bhavan  
NEW DELHI 110001

December 20, 2010

Re: Illegalities with respect to administration of IRPS (2)

Dear Shri Kapil Sibalji,

On March 26, 2008 we had already conveyed to this Ministry various grave irregularities in IPRS (see the Memorandum herewith attached). We wish now to draw your attention to a new, very grave development.

It is well- known that the Indian Performing Right Society (IPRS) has accumulated undistributed royalties estimated at around 25 crores rupees which it has invested in various bonds and fixed deposits, these royalties belong mostly to authors-composers who have not been paid their royalties because they refuse to sign the Society's Compulsory Letter wherein they are made to surrender their all rights to the Publishers accept the New 2008 Memorandum and Articles of Association which removes them from any executive position in the Society.

While IPRS makes royalties payments only twice a year – in February – March and in September- October- **highly reliable sources within the music industry have informed us the Society has started issuing in the last two weeks very large, out-of-turn cheques to some record labels/ publishers;** this timing follows the tabling in Parliament of Standing Parliamentary Committee's Report on your Copyright Bill Amendments 2010.

We wish to convey to you our strong apprehension that the present management of IPRS, anticipating the changes that our Amendments will bring to the Society, has decided to distribute to Publishers all royalties in its accounts so that the future management of the Society will inherit an empty shell.

Given the gravity and urgency of the matter, we, the undersigned, humbly request you to exercise the powers conferred to you under Section 33 (5) of the Act – and recommended by the Parliamentary Report in clause 16.13- by appointing an administrator to discharge the functions of the Society.

For which we shall be ever obliged

Jagjit Singh

Shanker Mahadevan 

Vishal Bhardawaj

Javed Akhtar 

Cc: 1. The Registrar of Copy rights  
Jeevan Deep Buildings, 4<sup>th</sup> floor  
Parliament Street  
New Delhi 110001

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By Hand

26.12.2010

Mr. G.R. Raghavendra  
Registrar of Copyrights  
4<sup>th</sup> Floor, Jeevan Deep Building  
Parliament Street  
New Delhi

**Re: Indian Performing Right Society Limited**

Dear Sir,

We the undersigned Artistes write to bring to your attention certain facts in relation to the Indian performing Right Society Limited, known as the IPRS

All the undersigned Artistes are members of the IPRS having assigned their copyrights in literary and musical works to IPRS by signing individual assignment deeds in favour of IPRS.

As part of the terms of the assignment deeds IPRS is obligated to collect royalties from the Public Performance / Communication to the Public in relation to the literary & musical works assigned to IPRS by its members, deduct its administrative expenses as mandated by the Act and distribute the remaining amounts as per the MOU of 1993.

**IPRS Obligation to Pay Royalties to Members:**

The MOU of 1993 between IPRS and Music Companies through the Music Company association the IPI mandated that the royalties collected by IPRS would be distributed in the following ratio:

- a. 50% to the Music Publisher which is the Music Company since Music Companies claimed to be the assignees of Film Producers;
- b. 30% to the Music Director or Composer
- c. 20% to the Author or Lyricist

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The assignment agreements executed between Music Company members and IPRS as also the agreements executed between Authors and Composers with IPRS all contained even today the obligation of IPRS to ensure that the royalties collected in relation to the members works are distributed in the above mentioned ratio. None of these agreements save the agreements with T-Series have been terminated and so the contractual and legal obligation of IPRS to pay royalties as per the 1993 MOU continues.

#### **Transfer by IPRS of members rights to third parties**

Sometime in 2004, IPRS inexplicably and certainly at the behest of its Music Company members decided to terminate existing mobile distribution agreements executed with third party aggregators. It was discovered much later that the said rights of communication to the public and distribution were in fact handed over completely without sanction of the author or composer members to the Phonographic Performance Limited or PPL as it is referred to normally and / or the Indian Music Industry or IMI which the association of the Music Companies. Copies of three such letters informing the licensees of IPRS of this 'transfer' of rights are enclosed for your information and action.

Sir, this whole sale transfer of rights has not stopped here but also extends to TV Broadcasting rights where IPRS has authorized one Select Media Holdings Ltd., who is stated to be the 'licensee' of both IPRS and PPL.

The exercise of TV Broadcasting related licensing activities by the said Select Media Holdings Ltd. is both contrary to Section 33 of the Copyright Act and also violative of the terms of registration of IPRS and PPL.

#### **Non-Payment by IPRS of Royalties to Author/ composer members**

When the undersigned Artistes sought to protest the acts of certain music company members of IPRS who were inclined to transfer rights out of IPRS, the IPRS started to demand the

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Artiste members of IPRS sign letters stating that they did not own any copyrights. The IPRS in fact made this a condition for the author composer members to receive their royalty which IPRS was in fact bound to pay as per the terms of the individual assignments agreements and more so by virtue of the 1993 MOU.

When the undersigned artistes refused to execute the above mentioned letters, IPRS declined to pay the members their royalties. The fact is that IPRS has since then refused to pay royalties to the undersigned members if they do not execute the stated letters agreeing that they do not retain any copyrights.

**Author/ Composer members – Downgraded membership status:**

The situation has deteriorated to such and extent that in the intervening period since 2005, IPRS has at the behest of the Music Company members now classified authors and composers as “Ordinary Members” while Music Companies are classified as “Owner Members”.

The action of the music company members of IPRS which violate the law of the land also have contributed to IPRS suffering a serious loss of credibility among large sections of licensees, the Government and even the Judiciary. Even the Parliamentary Department Related Standing Committee- HRD has taken note of the occurrences within IPRS and the report of the Committee is replete with scathing comments disapproving of the acts of the Societies.

Sir, we urge and request you to take immediate steps to bring IPRS to book as well as ensure that IPRS complies with the law.

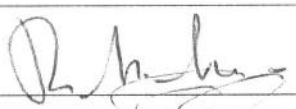
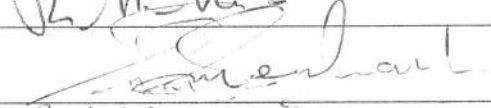






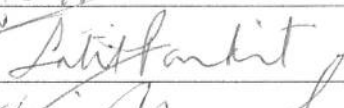
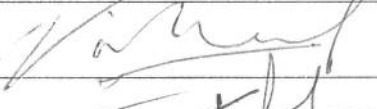
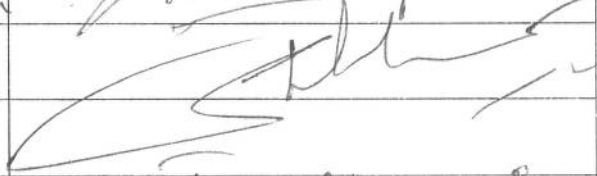
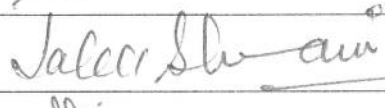

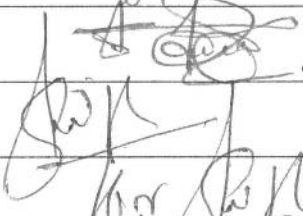
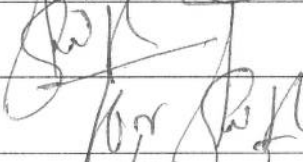
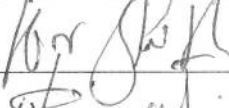

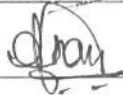

Given the situation, we therefore urge that the Government take steps to appoint an administrator to oversee the functioning of IPRS and ensure that all members of IPRS are treated fairly.

Sincerely,

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Signatures to the Letter dated 26<sup>th</sup> December, 2010 to the Registrar of Copyrights

Sr. No.	Name of Signatory	Signature
1.	RAVI SHANKER SHARMA	
2.	Sulaiman Merchant	
3.	SHANKAR	FOR SHANKAR 
4.	ENSAAN	
5.	LOY	FOR LOY 
6.	Salim Merchant	
7.	Sajid Khan	
8.	Wajid Khan	
9.	LALIT PANDIT	Lalit Pandit 
10.	<del>Shankar</del> Vishal Dhillon	
11.	SHANKAR KANSANI	
12.	JALEES SHERWANI	Jalees Sherwani 
13.	Surender Sodhi	
14.	PANCHHI JALONVI	
15.	Simeer Anjaam	
16.	Anjaam	for Anjaam 
17.	Nirmal B. Pawar	Nirmal 
18.	Anand Shrivastava	Anand 
19.	Milind Shrivastava	Milind 







# The Indian Performing Right Society Limited

Corporate Office : 208, Golden Chambers, 2nd Floor, New Andheri Link Road, Andheri (W), Mumbai - 400 053.

Telephones : (022) 2673 3748 -2673 3749 -2673 3750 -2673 6616 Fax No. (022) 2673 6658

E-mail : santan@vsnl.com

Ref:IPRS:VIB:ST:4250:2004

24<sup>th</sup> February, 2004

**Mr. Naveen Bhandari**

**CEO**

**M/s. Universal Power Systems Pvt. Ltd.**

**9, Athipattam Street,**

**Mount Road,**

**Chennai – 600 002.**

Dear Mr. Bhandari,

## **Sub : Our Licence Agreement dated 24.09.2003**

With reference to the above Licence Agreement, we have to inform you that the said Agreement expires on 24.09.2004.

We would like to convey to you that the right owners have decided that they would not like the administration of Ringtone Royalty to happen through IPRS and thus, w.e.f. 01.01.2004, the said Licence Agreement will be administered by the owners themselves. We are working out the modes for such a transfer and would get back to you at the earliest.

But we would like to assure you that the IPRS with the Music Industry has decided that this change over will be w.e.f. 01.01.2004 and would be done in a manner so as not to inconvenience the business as such.

Thus, you are requested to kindly clear all your dues with IPRS till 31.12.2003 immediately.

We would like to place on record our deep appreciation of the relationship we developed and it was a pleasure doing business with you. Should you require any further clarification or assistance on this, please feel free to contact the undersigned.

Thanking you with Musical Regards.

Yours sincerely,  
For **IPRS LTD.**

**Sanjay Tandon**  
**Director General**

Chairman : Naushad Ali  
Member : International Confederation of Societies of Authors & Composers (CISAC) World Congress of Authors & Composers  
: Copyright Enforcement Advisory Council, Ministry of Human Resource Development, Government of India.  
: Copyright Council & Copyright Centre, New Delhi.

Director General : Sanjay Tandon

Vice-Chairman : R. N. Jayagopal

Regd. Off : 717, Dalamal Tower, Nariman Point, Mumbai - 400 021.





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E-mail : santan@vsnl.com

Ref:IPRS:VIB:ST:4247:2004

24<sup>th</sup> February, 2004

**Mr. Taron Mohan**  
**Country Head**  
**M/s. Phoneytunes.com**  
**T-220/J, Savitri Nagar,**  
**New Delhi – 110 017.**

Dear Taron,

**Sub : Our Licence Agreement dated 01.12.2002**

With reference to the above Licence Agreement, we have to inform you that the said Agreement expired on 01.12.2003.

We would like to convey to you that the right owners have decided that they would not like the administration of Ringtone Royalty to happen through IPRS and thus, we would not be able to renew the said Licence Agreement.

However, we would like to advise you to get in touch with the IMI, who would then guide you how you can obtain the said Licence. But we would like to assure you that the IPRS with the Music Industry has decided that this change over will be w.e.f. 01.01.2004 and would be done in a manner so as not to inconvenience the business as such.

Thus, you are requested to kindly clear all your dues with IPRS till 31.12.2003 and apply for a fresh Licence Agreement through advice from IMI.

We would like to place on record our deep appreciation of the relationship we developed and it was a pleasure doing business with you. Should you require any further clarification or assistance on this, please feel free to contact the undersigned.

Thanking you with Musical Regards.

Yours sincerely,  
For **IPRS LTD.**

**Sanjay Tandon**  
**Director General**

Chairman : Naushad Ali  
Member : International Confederation of Societies of Authors & Composers (CISAC) World Congress of Authors & Composers  
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E-mail : santan@vsnl.com

Ref:IPRS:VIB:ST:4248:2004

24<sup>th</sup> February, 2004

**Mr. Mandar Thakur**  
**General Manager**  
**Sound Buzz India Pvt. Ltd.**  
**2 A, Ground Floor,**  
**Sadanand Classic Complex,**  
**33<sup>rd</sup> Road, (Off Linking Road),**  
**Khar (West),**  
**Mumbai - 400 052.**

Dear Mandar,

**Sub : Our Licence Agreement dated 16.01.2003**

With reference to the above Licence Agreement, we have to inform you that the said Agreement expired on 16.01.2004.

We would like to convey to you that the right owners have decided that they would not like the administration of Ringtone Royalty to happen through IPRS and thus, we would not be able to renew the said Licence Agreement.

However, we would like to advise you to get in touch with the IMI, who would then guide you how you can obtain the said Licence. But we would like to assure you that the IPRS with the Music Industry has decided that this change over will be w.e.f. 01.01.2004 and would be done in a manner so as not to inconvenience the business as such.

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Yours sincerely,  
For **IPRS LTD.**

**Sanjay Tandon**  
**Director General**

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Member : International Confederation of Societies of Authors & Composers (CISAC) World Congress of Authors & Composers  
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Regd. Off : 717, Dalamal Tower, Nariman Point, Mumbai - 400 021.