

Screenwriters Rights Association of India (SRAI)

DISTRIBUTION RULES AND METHODS

INTRODUCTION

SCREENWRITERS RIGHTS ASSOCIATION OF INDIA (SRAI), was granted registration by the Copyright Registrar on 30.12.2024. SRAI has since become the official Copyright Society for all Indian Screenwriters. SRAI's mandate is to collect royalties on behalf of all its members in Dramatic Works and Literary Works associated with Dramatic Works in a Cinematograph Film.

As per the Copyright Act, SRAI **will not collect any royalty from the box office collections of Cinematograph films exhibited in a cinema hall.**

SRAI is mandated to collect royalty from revenues generated from the exploitation of a Cinematograph film **outside of a cinema hall.**

SRAI will collect royalties from the following sources: -

1. Film/Documentary/Animation work broadcast on a TV channel.
2. Film/Documentary/Animation work streamed on a subscription based digital platform.
3. Television shows/serials broadcast on a TV channel or streamed on a subscription based digital platform.
4. Web shows/web films streamed on a subscription based digital platform.
5. Films/Tv Serials/OTT shows shown in a public place like hotels, pubs, restaurants, hostels, tourist buses, airplanes or in an open-air venue.
6. License fees from the exploitation of films/TV shows in a different medium than from the medium intended. For e.g. a Film's rights sold for Tv Broadcast or digital platform for streaming. TV shows rights sold for streaming on a digital platform.
7. Translation, remake or adaptation of film/TV/OTT work.

GENERAL DISTRIBUTION INFORMATION

The general policy and structure for the SRAI Distribution Scheme follows the Scheme of Distribution mentioned in the Copyright Act, 1957 and Copyright Rules, 2013. SRAI distribution policies are subject to regular review.

The Board of Directors is responsible for the formulation and implementation of specific distribution policy as approved by the Members and is required:

(a) to ensure that such policy is fair, accurate, transparent and cost effective; and

(b) to put in place a system to ensure that the data used to support the allocation of royalties is, and continues to be, based on statistically reliable sources that fairly represent the usage of dramatic works and literary works associated with dramatic works in India.

The Board of Directors of SRAI have formed a subcommittee, The Distribution Sub Committee, which will formulate the rules and methods of Distribution.

The three Sub Committees appointed by the Board are as follows: -

1. TV Tariff and Distribution Policy Sub Committee –

Members – 1. Zama Habib 2. PreitiMamgain 3. Divya Nidhi Sharma 4. Vishal Watwani 5. Purnendu Shekhar 6. Vandana Tiwari 7. Lakshmi Jaykumar

2. OTT Tariff and Distribution Policy Sub Committee –

Members – 1. Sudip Sharma 2. Sanyukta Chawla Sheikh 3. Smita Singh 4. Anu Singh 5. MrunmayeeLagooWaikul 6. Biswapati Sarkar 7. Charudutt Acharya

3. Film Tariff and Distribution Policy Sub Committee –

Members – 1. R Balki 2. Anjum Rajabali 3. Alankrita Shrivastava 4. Gauri Shinde 5. Saket Chaudhary 6. Ishita Moitra 7. Vijay Krishna Acharya

Royalties for members of affiliated societies are calculated in every respect on the same basis as allocations to SRAI members. The Board endeavours to comply with the Binding Resolutions and Best Practices of the International Confederation of Societies of Authors & Composers (CISAC) related to principles governing the fair and equitable distribution of royalties.

DISTRIBUTION OF ROYALTY WITH PRODUCER/OWNER –

As per the Copyright ActRules, Royalty earned has to be shared in equal sums with the Producer/Owner. Hence the split in royalty between Author and Producer/Owner will be in the ratio of 50-50.

DISTRIBUTION FREQUENCY

SRAI proposes to distribute royalty once every quarter in a year. However the royalty distribution will depend on when the end users share cue sheets and data with SRAI. Dependent on this availability, royalty distribution might be deferred to once in 6 months or once a year. SRAI will strive nevertheless to try and achieve quarterly payments of royalty.

The royalty will be collected for the preceding year and will be distributed in the first quarter of the next accounting year. For example collections are made for 1st January to 31st December 2025 and Distribution of that royalty collected will be from 1st APRIL to 30th JUNE 2026.

The distribution will commence after finalising negotiations with end users.

Distribution timelines will be decided on the frequency and volume of royalty that will be remitted to SRAI from the various sources. The Board of Directors will constantly monitor the flow of royalties and its frequency and will instruct the Distribution Sub Committee to

develop distribution rules in accordance to them. The revised Distribution Rules will be updated on the website after the General Body accepts the revised rules.

DISTRIBUTION METHODOLOGY

Distribution is dependent on two key elements –

- Royalty: The revenue collected from licensing and usage of the works
- Data: Works usage information gathered from the end user and owner.

All end users (Broadcast Channels, Streaming platforms etc.) are required to share their usage data (Log sheets) with SRAI. This data is matched with the Data of its members in SRAI systems and with International Databases. SRAI will identify the authors and owners of the copyrighted works with its internal data base and with international affiliate societies and then calculate royalties due.

TRP & VIEWERSHIP DATA

- TRP: Royalty will be distributed for film/tv show broadcast on a channel on the basis of the TRP(ratings of the film/show) in a year.
- VIEWERSHIP: Royalty for shows/films streamed on a digital platform will be decided by the number of views the film/show garners in a year.

DATA PROCESSING THRESHOLDS

Television broadcasters and Digital Service Providers (DSPs), provide usage data in an electronic format. Upon entry into the distribution system, all data is run through a process known as auto-matching, i.e. where the system attempts to match the usage data to information held within **SRAI's** repertoire database. Where auto-matching fails, usages will be matched manually by searching the works in the SRAI database. Where manual matching fails, works will be placed under the unmatched category.

DISTRIBUTION BASIS

Distribution of royalty will be divided into three categories; TV, Film and OTT. Each category's distribution is done through sections. A distribution section is a pool of revenues that have been collected from one or more sources and distributed together because they are related in some way. For example, a film may get revenue from Broadcast on a TV channel, Streamed on a digital platform, public performances like Hotel rooms, pubs etc and adaptation or remake. These sources may have different tariffs but are pooled together for distribution purposes because they cover revenue from one category - Films. The same principle will be applied to other categories of TV and OTT.

VALUES

TRP and Viewership data will determine the value of the royalty that will be distributed. SRAI rule will be that a higher rated film/show on a Broadcast Channel or the higher viewed film/show on a OTT platform, will receive a higher share of the royalty and the lower rated/view work will get proportionate royalty.

For Public Performances royalty, there will be no value attached. It will be divided pro rata amongst members whose works have matched for royalty distribution cycle in the year of distribution. This is because it is impossible to get data on the usage of the 'Works'. In most cases pertaining to Public Performances, the tariff will be a yearly lumpsum that will be charged for usage and not on the exact usage.

COSTS

Distributable revenue is calculated by subtracting from SRAI's gross revenue, subject to statutory limits prescribed in the Copyright Rules:

1. the expenses of and incidental to the conduct, management and operation of SRAI; and
2. monies applied by the Board for specific purposes like Welfare.
3. Compulsory Tax deductions as per government rules.

DISTRIBUTION OF ROYALTIES FORMULA: -

BROADCAST CHANNELS –

Films and TV serials shown on a satellite channels will be measured by the TRP they generate on a channel and then the royalty will be distributed as per the following formula:

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TV Metrics

1. Ratings
2. Time spent (TSV)
3. No of Episodes

Weightage for Tv Metrics:-

Ratings – **70%**

TSV - **20%**

No of Episodes – **10%**

Calculation of Weightage of Shows based on above Metrics: -

Example: -

Show TRP No. of EPTSV

A.	0.3	211	16
B.	0.4	212	18
C.	0.3	213	15
D.	0.3	214	14
E.	0.4	215	17

Calculation Of Weightage for Show A –

TRP Weightage = Show 'A' TRP/Highest TRP – $0.3/0.4 = 0.75$

TSV Weightage = Show 'A' TSV/Highest TSV - $16/18 = 0.88$

No of Episodes Weightage = Show 'A' Total Ep's/Highest Total EP – $211/215 = 0.98$

Calculation of Weighted Score for Show A -

TRP – A's TRP Weightage x Overall Rating Weightage = $0.75 \times 0.70 = 0.525$

TSV – A's TSV Weightage x Overall TSV Weightage = $0.88 \times 0.20 = 0.176$

No of EPISODE – A's Episode Weightage x Overall Episode Weightage = $0.98 \times 0.10 = 0.098$

Hence Weightage Score for Show A is - $0.525 + 0.176 + 0.098 = 0.799$

So The Formula to Work out the % of Royalty per show is –

WEIGHTAGE SCORE OF EACH SHOW/TOTAL WEIGHTAGE SCORE OF ALL SHOWS X 100

Suppose total weightage of all shows of the channel is – **6.539**

So in case of Show 'A' royalty % = $0.799/6.539 \times 100 = 12.21\%$

Hence Show 'A' will get 12.21 % of the total royalty received from the channel.

OTT CHANNELS –

Films and TV serials shown on a OTT platform will be measured by the Views that they generate on the platform and then the royalty will be distributed as per the following formula:-

The distribution of royalties for each project on OTT would be as follows:

TR = the Total Royalty Pool for the OTT platform. (2% of the total gross subscription revenue of the platform)

Now if A = total views of the title (film/series) in a year.
and T = total views of all titles on the platform in a year.

Then the Royalty (R) for the title = $A/T \times TR$.

For example, if a film has 10 million views and the total platform views are 1000 million, then the revenue would be $10/1000 \times TR$.

The committee has also decided to define a view as per Netflix's definition, where Views of a title = Total watch hours of the title / Duration of the title.

EG - If a show on a OTT platform has 10 million views and the total platform views is 100 crore and the revenue from subscription is 2 crores then the royalty attributed for the show based on above formula will be as follows –

$$1000000/1000000000 \times 20000000 = \text{Rs } 2,00,000$$

INSUFFICIENT DOCUMENTATION –

Where a usage has been matched to a work which had insufficient documentation, i.e. not all rights holders are identified, SRAI will distribute the work according to CISAC's "Insufficient Documentation" rule. There are two potential scenarios:

1. If one of the authors is identified as a member of an international society, SRAI will forward all royalties for that work to the international society who will distribute according to their documentation. The international society in return will provide SRAI with correct documentation for the work so that SRAI can distribute correctly in the future.
2. If one of the authors is identified as a member of SRAI, then the royalties for the work are kept on hold for such unidentified author and SRAI will contact the member for completion of the documentation of the work.

UNIDENTIFIED USES –

SRAI uses its best efforts to identify all works appearing in its distribution data. Unidentified uses are reported 'works' usages which cannot be matched to any documented works by SRAI. This may be due to reasons such as those listed below:

- Insufficient or inaccurate information received from users
- The interested parties are identified as not being members of a society
- Cue sheets for the film/Tv serial/OTT show-film, could not be sourced by the society
- Unmatched arrangements of public domain works

As no rights holders are identified, these uses cannot be distributed via the "Insufficient Documentation Rule". Unidentified uses are placed on SRAI's unidentified uses database

which is available in SRAI's Special Account and the royalties are kept on hold. This data is circulated to international societies and members for information. Members and international societies have three years from the date of the original distribution to claim unidentified uses. No interest accrues or is paid to the interested parties. The value for any unidentified uses which are not claimed by the members are added back to the distribution pool post one year from the distribution of such royalties and re-distributed pro-rata over the identified repertoire for the relevant service and period. However, the member is entitled to claim royalties for such unidentified uses by submission of works within the three years period and the same will be paid from the current/existing distribution pool. Post the three year period no claim shall be entertained for the unidentified work.

UNDISTRIBUTED SHARES –

An undistributed share is:

- a) the portion of a work for which royalties are withheld because of insufficient documentation; or
- b) none of the author/s in a work can be identified and hence shares for the entire work are withheld. These non-distributable shares are kept on hold.

Undistributed shares are reviewed every six months by SRAI in an effort to identify the author/s. Any author/s identified during this process will be paid the undistributed share in the next distribution cycle. Amounts which are kept on hold and not claimed within the 3-year period are added back to the distribution pool. However, if there is a claim by a member/s within the three years period, then such member/s will be paid the royalties. Post the three year period no claim shall be entertained for the undistributed share.

NON MEMBER SHARES –

A non-member is an individual who is not a member of any Audio-Visual Collection Society. Generally, no share is payable in respect of non-member interests as the Society does not collect any share for non-members. However, the share of non-members is generated when the Society grants license for the licensed work. Such logged royalties will be held for a maximum of three years or until the non-member becomes a member or as per the decision of the Distribution Committee & Board of Directors to distribute such monies held on account of the non-member: only then will the amount held be released. If the non-member does not become a member by the end of three years, the non-member royalties will be added back to the distribution pool. However, if a non-member becomes a member within the three years period, then such non-member will be paid the royalties.

For non-Indian works, the non-member share is paid to the international society in the territory if identified as per the Society's decision.

NON LICENCE/ROYALTY REVENUE -

Non-license/royalty revenues comprise of the following:

- interest earned on royalties awaiting distribution
- membership fees

This revenue is not allocated for distribution but is used to cover the Society's administrative/capital/deferred expenses or for utilization towards financial aid to members.

DISPUTES –

SRAI will appoint a Dispute Settlement Committee which will look into all counter claims of members. The procedure for settling all counter claims is as follows: -

1. If there is a dispute over an existing members claim by another member claiming for the same work, then SRAI will ask both claimants to submit proof of authorship via documents such as agreements, credit proof or letter from Producer/Owner. Royalties for the disputed work will not be distributed till the matter is settled between the contesting parties.
2. If the contesting parties or either one of the parties are not satisfied with the settlement decision of the Dispute Settlement committee, then they can make an appeal to the Board of Directors, within a period of 15 days from receipt of the decision, to appoint an Appellate Committee of 3 members who will review the decision within a month from the acceptance of the appeal.
3. If the contesting parties or either one of them is not satisfied with the decision of the Appellate Committee then they are requested to take the matter to the courts to decide on the dispute.
4. The highest court's decision will be accepted by SRAI and royalties will be distributed accordingly.
5. Royalties held in abeyance in disputed matters shall have no interest accrued nor shall SRAI be liable to pay interest to the disputing parties on such amounts.

FILM ROYALTIES –

It is decided by the Film Distribution and Royalty committee that the rate of Royalty would be **2.00 % of Gross Income of the satellite channel and from OTT platforms it will be 2% of subscription revenue.**

The Committee also decided that the rate for royalty for licensing fees of a film will be **2% of the fees.**

Ratio of royalties for authors of feature films will be distributed as per the following category division. **Story 30% Screenplay 40% Dialogues 30%**

If there are multiple writers for the various divisions then the amount distributed per category will be shared equally amongst the writers.

Credits such as Associate/Assistant/Additional will not be accepted as a bona fide credit.

For uses of an adaptation, dubbing and remake of a copyrighted work, **SRAI** will not allocate a share to the adapter/dubbing script writer/remake script writer unless they notify of an agreement with the original author/owner. In the absence of a contract the royalty

collected from such adapted, dubbed and remake work will be distributed only with the original author/owner.

In case the adaptation/dubbing/remake is official and a contract is submitted then for such works the royalty split will be as follows –

Adaptation/Remake - 1. Original Writer – Story/Screenplay/Dialogues: – 40%

2. Adaptation Writer – Story/Screenplay/Dialogues: - 60%

Dubbing - 1. Original Writer – Story/Screenplay/Dialogues: – 90%

2. Dubbed Script Writer – Dialogues: - 10%

In case the adaptation/remake **of a novel, play, podcast or a news article** is official and a contract is submitted then for such works the royalty split will be as follows –

Adaptation of Novel/play/podcast/news article -

1. Original Writer : – 25%

2. Adaptation Writer – Story/Screenplay/Dialogues: - 75%

TV ROYALTIES –

It is decided by the TV Distribution and Royalty committee that the rate of Royalty would be **2.00 % of Gross Income of the satellite channel.**

Ratio of royalties collected for authors of TV serials will be distributed as per the following category division-

Royalties will be distributed across three primary writing categories as follows:

40% for Story

30% for Screenplay and

30% for Dialogue.

The **40% allocated to Story** will be further subdivided based on the nature of contributions:

- **20%** for "Created By"
- **30%** for Broad Story writers
- **50%** for Episodic Story writers

In the case of an **adapted show**, the same 40% will be divided as:

- **20%** to the **Original Creator** (i.e. the writer of the original show)
- **30%** to the **Broad Story** writer (responsible for adapting the original story)
- **50%** to the **Episodic Story** writers.

If there are multiple writers for the various divisions then the amount distributed per category will be shared equally amongst the writers.

Credits such as Associate/Assistant/Additional will not be accepted as a bona fide credit.

OTT ROYALTIES –

It is decided by the OTT Distribution and Royalty committee that the rate of Royalty would be **2.00 % of gross subscription revenue of the platform.**

Ratio of royalties collected for authors of Web shows will be distributed as per the following category division-

- **Creator** receives **20%**
- **Story Writer** receives **30%**
- **Screenplay Writer** receives **30%**
- **Dialogue Writer** receives **20%**
- **In the case of an adaptation from a book:**
 - The **author of the book** receives **10%** of the royalty share for the show.
 - The remaining **90%** is distributed among the creator, story, screenplay, and dialogue writers as per the above breakdown.
 - If the **author is also credited as a creator** on the show, they receive **10% of the creator's 20% share** in addition to their author royalty.
- **For remakes/spinoffs/dubbed versions in different languages:**
 - If the original show (adapted from a book) is remade without acquiring fresh rights to the book, and the adaptation is based on the **original show** (not the source material), then the **creator(s) of the original show** receive the **10% that was earlier allocated to the book's author.**

FINANCIAL AID TO MEMBERS –

Any Financial Aid announced by SRAI will be extended to the members with prior approval of the Board. Such extension of Financial Aid to members will be based on the following criteria:

1. The Member should have completed at least 1 year of membership tenure with SRAI as on the 31st of March immediately preceding the date of announcement of the Financial Aid

AND

2. The cut-off Royalty payment threshold, for a Member to qualify for the Financial Aid, shall be a value as decided by Board subject to such value being less than Rs.1 Lakh Royalty payment. Members who fall within the threshold value as mentioned above and Members who have not received any royalty payment during a period year as on 31st March immediately preceding the date of announcement of the Financial Aid shall be entitled to receive the Financial Aid.

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