26 June 2026

Mr. Amardeep Singh Bhatia
Secretary
Department for Promotion of Industry and Internal Trade (DPIIT)
Ministry of Commerce & Industry
Government of India

Subject: Representation on Rationalization of Music Licensing Tariffs and Single-Window Compliance via Sangeet Dwar.

Respected Sir,

The Federation of Hotel & Restaurant Associations of India (FHRAI), as the apex body representing the Indian hospitality sector, submits this formal proposal to establish an effective, predictable, and transparent music licensing regime in the country.

We highly appreciate DPIIT's forward-thinking initiative to streamline music licensing through the launch of the **Sangeet Dwar** platform, as well as the Department's proactive approach in inviting FHRAI for stakeholder consultations. While the launch of Sangeet Dwar was intended to unify the system, the operational licensing ecosystem underneath remains highly complex, prohibitively expensive, and commercially difficult to navigate. Currently, excessive tariff levels, combined with a lack of clarity on applicable variables, discourage businesses from seeking licenses. This has led to low voluntary compliance, frequent operational disputes, and severe business uncertainty.

To advance the Government's mandate of **Ease of Doing Business (EoDB)**, encourage stricter institutional compliance, and safeguard the interests of all stakeholders, FHRAI proposes a simplified, budget-friendly flat-rate structure to be executed seamlessly through the Sangeet Dwar single-window platform for your favorable consideration.

1. Industry Concerns & Core Bottlenecks

- **Excessively High Cost of Music Licensing**: The cumulative effect of independent tariffs charged by multiple copyright societies results in licensing fees that are entirely disproportionate to the actual commercial use of music. For instance, a small individual event with just 100 guests hosted at a 5-star hotel can attract an aggregate music license fee exceeding **₹2.5 lakh** for an indoor hall and over **₹4.4 lakh** for an outdoor space. This compounding mechanism escalates sharply with guest counts and venue characteristics, rendering events commercially unsustainable.

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- **Multiplicity of Licensing Bodies for a Single Use**: Establishments are compelled to secure multiple, parallel licenses to ensure legal compliance, even though the music originates from a single source during a single event. This multiplicity drives up transactional costs and creates persistent ambiguity regarding the actual extent of legal compliance.
- **Absence of a Uniform Tariff Methodology**: Different societies deploy fragmented, disparate parameters to calculate licensing fees, citing city classifications, seating capacities, floor areas, guest attendance bands, or event durations. Calculations are further complicated by matrices like indoor vs. outdoor zones, AC vs. non-AC categorizations, alcohol service, and live vs. recorded media playback. Consequently, there is no standardized basis for determining fees, and for identical music usage, the final payable amount fluctuates wildly based on each entity's distinct methodology.
- **Lesser Compliance Due to Opaque and High Tariffs**: When tariffs are perceived as excessive and arbitrary, voluntary adoption plummets. In many instances, hospitality operators avoid utilizing music altogether to minimize exposure to unpredictable retrospective demands.

2. FHRAI's Policy & Tariff Proposal

A. Proposed Balanced Tariff Structure

FHRAI proposes the absolute removal of complex operational variables and replacing them with the following predictable, reasonable, and standardized rates:

Category	Proposed New Tariff (Inclusive of PPL, IPRS, Novex & RMPL)
Weddings & Related Functions *(Roka, Haldi, Sangeet, Baraat, Reception, etc.)*	**NIL** (Statutory Exemption under Sec 52(1)(za))
For Banquets – Per Event	
Corporate Events *(Conferences, awards, product launches, dinners, offsites, etc.)*	• **₹10,000 per event (capacity < 100)** • **₹20,000 per event (capacity > 100)**
Private Events *(Birthdays, anniversaries, non-ticketed club functions)*	• **₹6,000 per event (capacity < 200)** • **₹12,000 per event (capacity > 200)**
For Restaurants	
Restaurants / Cafés and Similar Premises	**₹10,000 per annum per unit**
Restaurants with DJ	**₹20,000 per annum per unit**
DJ License	**₹3,000 per event**
Composite Annual Tariff for Hotels (One Year Tariff for Banquets and Restaurants)	
Annual Tariff for Hotels *(for Banquets and Restaurants)*	• **₹6,000 per annum per restaurant unit** • **₹10,000 per annum per banquet unit (capacity < 300)** • **₹12,000 per annum per banquet unit (capacity > 300)**

Key Principles of the New Framework:

- One uniform flat rate per event/unit irrespective of fluctuating guest counts.
- No separate or premium pricing tiers for outdoor lawns, poolside, or open-air layouts.
- No supplementary demands after payment of the prescribed fee.
- Tariffs to remain stable and subject to consultation before any revision.

B. Driving "One Window, One Payment" At Sangeet Dwar

To transform Sangeet Dwar into a true agent of regulatory relief, FHRAI recommends that DPIIT mandate the following strict framework guidelines:

- **Consolidated Payment:** The event hosts should make a single deposit based on the flat rates specified above. This single payment should legally cover all the copyright societies and licensing bodies.
- **Internal Apportionment:** The revenue collected should be distributed internally among all the copyright societies, licensing bodies, and other right-holders according to their mutually agreed split. The end-user will not be liable for or involved in this internal division.
- **Protection Against Double Demands:** Once a venue receives a consolidated digital receipt from Sangeet Dwar, no individual society or licensing body shall have the legal authority to raise separate claims or penalties for that specific event.

C. Additional Recommendations

- **Introduce a separate DJ License category for Restaurant Operations**: This license should cover periodic DJ performances conducted as part of normal restaurant operations without attracting multiple category-based charges. Such a provision would provide **operational flexibility** to hospitality establishments while promoting **greater compliance** with licensing requirements.
- **Establish a Transparent and Predictable License Fee Revision Mechanism**: Any revision should be capped at **5% once every three years**, on the lines of the structured revision framework followed under various State Excise Policies. No increase beyond the prescribed limit should be permitted during the applicable period, and all revisions should be notified well in advance after stakeholder consultation.

Benefits to Stakeholders and Enhancement of Compliance

Transitioning to this reasonable and predictable tariff model creates a mutually beneficial outcome for the entire tourism, hospitality, and creative ecosystem:

a) Increased Compliance

b) Higher Overall Revenue for Rights Holders

c) Ease of Doing Business

d) Greater Formalisation of the Sector

e) Balanced Interests of All Stakeholders

Industry-Wide Compliance and Awareness Initiatives

Upon acceptance and implementation of the above recommendations, FHRAI shall actively encourage all eligible member establishments to obtain the requisite music licences through the Sangeet Dwar platform.

The Association will undertake extensive awareness and outreach initiatives, including:

- Issuing circulars and compliance advisories to member establishments;
- Organising awareness programmes, webinars and stakeholder interactions on the revised licensing framework;

- Disseminating simplified guidance documents explaining the licensing requirements; and
- Encouraging voluntary and timely compliance across hotels, restaurants, banquet halls and other hospitality establishments.

3. Conclusion

FHRAI respectfully requests DPIIT to intervene and facilitate the immediate adoption of this rationalized, transparent music licensing system. A simplified framework with budget-friendly rates is the only viable path to boost voluntary compliance, fuel the growth of India's hospitality, tourism, and event sectors, and secure steady, transparent revenue streams for our creative communities.

We remain committed to working closely with the Government and licensing societies to build a balanced, modern, and friction-free ecosystem.

Thanking you,

Yours sincerely,

Jaison Chacko
Secretary General

Annexure - Current Tariff Structure

FOR HOTELS

MICE (Meetings, Incentives, Conferences, and Exhibitions) events

For Corporate Event - Indoor								
Pax	IPRS	Novex	PPL	RMPL	Conv. Fee	Total	GST	Total Fee
100	40,000	77,000	69,000	30,000	1,000	2,17,000	18%	**2,56,060**
200	40,000	1,05,000	86,250	30,000	1,000	2,62,250	18%	**3,09,455**
500	40,000	1,75,000	1,38,000	40,000	1,000	3,94,000	18%	**4,64,920**
1,000	40,000	3,00,000	2,12,750	65,000	1,000	6,18,750	18%	**7,30,125**
2,000	40,000	6,00,000	3,55,250	1,18,000	1,000	11,14,250	18%	**13,14,815**
5,000	40,000	15,00,000	8,05,250	1,69,000	1,000	25,15,250	18%	**29,67,995**

For Individual Event - Indoor								
Pax	IPRS	Novex	PPL	RMPL	Conv. Fee	Total	GST	Total Fee
100	60,000	77,000	77,280	25,000	1,000	2,40,280	18%	**2,83,530**
200	40,000	1,05,000	96,600	25,000	1,000	2,87,600	18%	**3,39,368**
500	40,000	1,75,000	1,54,560	35,000	1,000	4,25,560	18%	**5,02,161**
1,000	40,000	3,00,000	2,38,280	58,000	1,000	6,57,280	18%	**7,75,590**
2,000	40,000	6,00,000	3,97,880	1,00,000	1,000	11,58,880	18%	**13,67,478**
5,000	40,000	15,00,000	9,01,880	1,41,000	1,000	26,03,880	18%	**30,72,578**

FOR RESTAURANTS

IPRS

Restaurants / cafés / dining rooms / similar premises

- Classified cities: ₹20,000 per annum.
- Non-classified cities: ₹10,000 per annum.

Bars, pubs, discos and lounges (separate category)

Area	Non-classified Cities	Classified Cities
Up to 2,500 sq. ft.	₹50,000	₹1,00,000
2,501–5,000 sq. ft.	₹1,00,500	₹2,00,000
5,001 sq. ft. and above	₹2,00,000	₹4,00,000

PPL

Standalone Restaurants and cafés

Seating Capacity	A Class city, standalone restaurant	B Class city, standalone restaurant	Other Class city, standalone restaurant
Below 20	₹10,000	₹6,000	₹5,000
21 – 40	₹17,500	₹10,500	₹8,750
41 – 60	₹20,000	₹12,000	₹10,000
Every additional seat above 60	₹300 per seat	₹180 per seat	₹150 per seat

Chain Restaurants

Seating Capacity	A Class city, standalone restaurant	B Class city, standalone restaurant	Other Class city, standalone restaurant
Below 20	₹12,500	₹12,500	₹12,500
21 – 40	₹20,000	₹20,000	₹20,000
41 – 60	₹25,000	₹25,000	₹25,000
Every additional seat above 60	₹400 per seat	₹400 per seat	₹400 per seat

Pubs / lounge bars / sports bars / restro bars / night clubs / discos / restaurants serving alcohol

Area	A Class Cities	Other Cities
Up to 500 sq. ft.	₹75,000	₹37,500
501–1,500 sq. ft.	₹1,50,500	₹75,000
1,501–3,000 sq. ft.	₹3,00,000	₹1,50,000
5,001 sq. ft. and above	₹3,00,000 + ₹45 per sq. ft.	₹1,50,000 + ₹30 per sq. ft.

Category 48 additional fees

- Active usage / crowd requests / dancing: additional ₹2,00,000.
- Cover charge / admission / entry fee: additional ₹2,00,000.
- Karaoke night: additional ₹1,00,000.
- Outdoor / smoking / terrace areas with music: additional 50% of the above tariff rates.

RMPL

Seating Capacity	Restaurants without bars / pubs (Metro / Tier-1)	Restaurants with bars / pubs (Metro / Tier-1)
Below 30 seats	Non-AC ₹4,000, AC ₹5,200 per annum	Non-AC ₹6,000, AC ₹7,200 per annum
30–50 seats	Non-AC ₹5,400, AC ₹7,290 per annum	Non-AC ₹7,400, AC ₹9,200 per annum
More than 50 seats	Non-AC ₹7,290, AC ₹9,850 per annum	Non-AC ₹9,200, AC ₹11,800 per annum

Lounge bar / sports bar / night club / disco / similar premises

- Metro / Tier-1: ₹2,500 per activity day.
- Tier-2 cities: ₹2,000 per activity day.
- Tier-3 cities: ₹1,500 per activity day.