

AGREEMENT ON AUDIO-VISUAL CO-PRODUCTION
BETWEEN
THE MINISTRY OF INFORMATION AND BROADCASTING OF
THE REPUBLIC OF INDIA
AND
THE STATE ADMINISTRATION OF PRESS, PUBLICATION, RADIO, FILM AND
TELEVISION OF THE PEOPLE'S REPUBLIC OF CHINA

The MINISTRY OF INFORMATION AND BROADCASTING OF THE REPUBLIC OF INDIA and the STATE ADMINISTRATION OF PRESS, PUBLICATION, RADIO, FILM AND TELEVISION OF THE PEOPLE'S REPUBLIC OF CHINA hereinafter referred to as the "Contracting Parties",

CONSIDERING that it is desirable to establish a framework for the development of their audio visual co-productions;

CONSCIOUS that quality co-productions can contribute to the further expansion of the audio visual production and distribution of both countries as well as to the development of their cultural and economic exchanges;

CONVINCED that these exchanges will contribute to the enhancement of relations between the two countries in the audio visual field;

HAVE AGREED AS FOLLOWS:

ARTICLE 1 Definition

For the purpose of this Agreement:

- 1.1 "Co- Production" refers to feature film, documentary, cine-film or animation film, irrespective of length, produced in any format, and distributed in theatres on televisions, video cassettes or any other forms of projection.
- 1.2 "Co-production" is a production co-produced after joint investment by producers from India and China.
- 1.3 "Competent Authority" responsible for implementation of the Agreement shall be

(a) On behalf of Republic of India, the Ministry of Information and Broadcasting

(b) On behalf of Government of the People's Republic of China, the State Administration of Press, Publication, Radio, Film and Television.

(c) Co-production projects falling within the scope of this Agreement shall be subject to the approval of the Competent Authority.

(d) Each co production undertaken under this Agreement shall be in accordance with the laws and regulations in force in the Contracting Parties.

1.4 "Co-producer" shall be:

(a) In relation to India:

(i) Citizens of India;

(ii) Entities which are established or incorporated in India

(b) In relation to China:

(i) Citizens and legal persons of China;

(ii) Persons who are not citizens of China but are permanent residents of China;

(iii) Entities which are established or incorporated in China.

1.5 "Nationals" mean persons of either Contracting Party deriving the status as nationals of that Contracting Party from its laws and regulations in force.

ARTICLE 2 Recognition as a National Film and Entitlement to Benefits

2.1 A co-production film shall be fully entitled to all the benefits which are or may be accorded to national films by each of the Parties under their respective national laws and regulations.

2.2 These films shall be entitled to claim all state support and benefits available to the film and video industries and the privileges granted by the provisions in force in the respective countries

ARTICLE 3 Contribution

3.1 Any benefits under this Agreement shall be available for audio visual co-production only when investment or finance, material and management including creative and other inputs not below 20% comes from co-producer of one country;

provided always that specific percentage contribution will be decided amongst producers themselves.

3.2 Notwithstanding anything stated in above paragraph, the competent authorities of both sides may at any time decide jointly in writing to make appropriate changes, in percentage, as may be deemed fit.

ARTICLE 4 Participants

4.1 The producers, writers, directors, technicians, actors and other personnel involved in co-productions shall be citizens of either of the countries or permanent residents of either party.

4.2 In the event of exceptional need of audio visual co-production, persons other than nationals or permanent residents as stated hereinabove are permissible to be engaged without losing the character of co-production in case advance written permission from both the countries' authorities is obtained after explaining the reasons of inclusion of such person.

ARTICLE 5 Filming and Production Outside the Contracting Countries

5.1 Live action shooting of a co-produced film, including animation works such as storyboards, layout, key animation, in between and voice recording must, in principle, be carried out alternately in India or in China.

5.2 Location shooting of a co-produced film, exterior or interior, in a country not participating in the co-production may, however, be authorized by the competent authorities of both countries if the script or the action so requires and if technicians from India and China take part in the shooting.

5.3 The processing and post-production of co-productions shall be done in either India or China, unless it is technically impossible to do so in either of the countries, in which case the processing and post-production in a country not participating in the co-production may be authorized by the competent authorities of both countries.

ARTICLE 6 Film Languages

6.1 The original soundtrack of each audio visual co-production shall be made in Hindi, or any other Indian language or dialect, or in Chinese or English, or in any combination of those permitted languages.

6.2 Dialogue in other languages may be included in the audio visual co-production, as the script requires.

6.3 The dubbing or subtitling into one of the permitted languages of India or into the language of China shall be carried out in India, or in China; and that in English language be discussed and decided by the co-producers.

ARTICLE 7 Film Negatives

Two negatives, or at least one negative and one duplicate negative, shall be made of all co-produced films. Each co-producer shall be entitled to make a further duplicate or prints there from. Each co-producer shall also be entitled to use the original negative in accordance with the conditions agreed upon between the co-producers themselves. The storage of the original negative shall be as mutually decided by the co-producers.

ARTICLE 8 Temporary Entry into the Country

Both Contracting Parties in accordance with their domestic laws shall facilitate:

(a) entry and short stay in either of the two countries for producers, writers, directors, technicians, actors and other personnel, (b) importing of equipment, props, film stocks and the like.

ARTICLE 9 Property and Revenues

9.1 Both Contracting Parties jointly own the copyrights of each co-produced film and at the same time it is proportionate to the respective contributions for co-producers to share market revenues.

9.2 The sharing of revenues by the co-producers should, in principle, be proportional to their respective contributions and this should be negotiated and agreed, and specified in the agreement between the co-producers themselves. The respective contribution of each co-producer may be decided mutually on the basis of principles elaborated in Article 3.

ARTICLE 10 Balanced Contribution

10.1 A general balance should be maintained with regard to both the artistic and technical personnel, including the cast.

10.2 The Joint Commission, established in terms of this Agreement, shall carry out a review to see whether this balance has been maintained and, if this is not the case, shall take measures which it considers necessary in order to re-establish such a balance.

ARTICLE 11 Joint Commission

11.1 The Joint Commission shall comprise representatives from Governments of both countries and from the film industry of both Contracting Parties.

11.2 The role of the Joint Commission shall be to supervise and review the implementation and operation of this Agreement and to make any proposals considered necessary to improve the implementation of the Agreement.

11.3 The Joint Commission shall be convened at the request of either of the Contracting Parties within six months of such a request.

ARTICLE 12 Minority and Majority Contribution in the Case of Multilateral Audio visual Co-productions

Subject to the specific conditions and limits laid down in laws and regulations in force in the Contracting Parties, in the case of multilateral co-productions, the minority contribution may not be less than 10% and the majority contribution may not exceed 70% of the total cost of the film.

ARTICLE 13 Public Exhibition

13.1 Nothing in this Agreement binds the competent authorities of the Contracting Parties to permit the public exhibition of a film, which has been granted Approved Co-production status.

13.2 Both co-producers shall shoot the film in accordance with the approved script and submit it to respective competent authorities for examination afterwards. If there is no any essential difference between the completed film and the approved script, the film could be exhibited in India, China or a third country, in accordance with the current laws, rules, regulations and guidelines, governing the same in the respective countries.

ARTICLE 14 Export to a Third Country

When a co-produced film is exported to a country, which has quota limitations:

- a) In principle, the co-produced film shall be included in the quota of the country of the majority investment;
- b) If both co-producers have made an equal contribution, co-producers of both sides shall decide the quota in question through friendly consultation, so that the co-produced film can be included in the quota of the country that can make better arrangements for the export of the film.
- c) If difficulties still exist, the co-produced film shall be included in the quota of the country of which the director is a national.

ARTICLE 15 Credits

15.1 A co-produced film shall when shown, be identified as a "India-China Audio-visual Co-production" or "China-India Audio-visual Co-production" according to the origin of the majority co-producer or in accordance with an agreement between co-producers.

15.2 Such identification shall appear in the credits, in all commercial advertising and promotional materials and whenever this co-production is shown.

ARTICLE 16 Entry in International Film Festivals

16.1 In the event of presentation at international film festival, unless the co-producers agree otherwise, a co-production shall be entered by the country of the majority co-producer or, in the event of equal financial participation of the co-producers, by the country of which the director is a national.

16.2 Either of the co-producers may make the co-produced film access to international film festivals by notifying the other co-producer in advance.

ARTICLE 17 Settlement of Disputes

Any dispute between the Contracting Parties arising out of the interpretation and implementation or application of this Agreement shall be settled consensually through consultation and negotiation and shall not be referred for resolution to any national or International tribunal or a third party.

Article 18 Amendment

This Agreement may be amended at any time by the mutual consent of the Contracting Parties through the exchange of notes between the Contracting Parties through the diplomatic channel.

ARTICLE 19 Entry into Force, Duration and Termination of the Agreement

19.1 This Agreement shall come into force when each Party has informed the other that its internal ratification procedures have been completed. This Agreement shall come into effect on the later date of these two notifications.

19.2 This Agreement shall be valid for a period of three years from the date of its entry into force; a tacit renewal of this Agreement for the periods shall take place unless one or the other Party gives written notice of termination six months before the expiry date.

19.3 Co-productions which have been recognized by the competent authorities of the Contracting Parties and which are in progress at the time of notice of termination of this Agreement by either Contracting Party shall continue to benefit fully until completion from the provisions of this Agreement. After expiry or

termination of this Agreement, its terms shall continue to apply to the division of revenues from completed co-productions.

In witness whereof the undersigned, duly authorised by their respective Governments, have signed this Agreement.

Done in at New Delhi on September 18 of 2014 in two originals each in Chinese, Hindi, and English language, three versions being equally authentic. In case of any divergence in interpretation, the English text shall prevail.

**For the Ministry of
Information and Broadcasting
of
The Republic of India**



**For the State Administration
of Press, Publication,
Radio, Film and Television of
the People's Republic of China**



**Annex to Agreement On Audio Visual Co-production
Between the State Administration of Press, Publication, Radio, Film and
Television of the People's Republic of China
and the Ministry of Information and Broadcasting of the Republic of India**

**(Rules of Procedure for Applications for Approval of Co-production Status
Under This Agreement)**

**(This Annex is for administrative purposes and is not part of the Audio -visual
Co Production Agreement between the the State Administration of Press,
Publication, Radio, Film and Television of the People's Republic of China and
the Ministry of Information and Broadcasting of the Republic of India.)**

1. Applications for qualification of a film for audio visual co-production benefits under this Agreement for any co-production must be made simultaneously to both competent authorities at least sixty days before shooting begins.

2. Co-Producers from both Contracting Parties shall submit the proposals to their competent authorities respectively for approval. Both competent authorities shall, in accordance with relevant guidelines of the respective country, communicate and negotiate with each other within thirty days of the submission of the complete documentation about the approval of Co-production status.

3. The following documents shall be submitted:

3.1 The final script and synopsis;

3.2 Documentary proof of having legally acquired the rights to produce and exploit the co-production and that the copyright for the audio-visual co-production has been legally acquired;

3.3 A copy of the co-production contract signed by the two co-producers.

The contract shall include:

- a) The title of the audio-visual co-production;
- b) The name of the author of the script, or that of the adaptor if it is drawn from a literary source; necessary permission for adapting the literary work into a film from the author/legal heirs may be attached;
- c) The name of the director;
- d) The budget;
- e) The financing plan;
- f) A clause establishing the sharing of revenues and markets;
- g) A clause detailing the respective shares of the co-producers in any over or under expenditure, which shares shall in principle be proportional to their respective contributions;
- h) A clause stating that the competent authorities have to be informed if the percentage of the contribution of a co-producer changes subsequent to the approval of the competent authorities; in any case, the contribution may not be less than the minimum contribution agreed in Article 3;
- i) A clause stating that audio visual productions co-produced under this Agreement may be publicly exhibited in either country in accordance with prescribed rules/procedures;

- j) A clause recognising that admission to benefits under this Agreement does not constitute a commitment that competent authorities in either country will grant a license to permit public exhibition of the audio visual co-production;
- k) A clause prescribing the measures to be taken where:
 - (i) after full consideration of the case, the competent authorities in either country refuse to grant the benefits applied for;
 - (ii) the competent authorities prohibit the exhibition of the audio visual co-production in either country or its export to a third country;
 - (iii) either one or the other Party fails to fulfill its commitments;
- l) the period when shooting is to begin;
- m) a clause stipulating that the majority co-producer shall take out an insurance policy as mutually decided by the co-producers; and
- n) a clause providing for the joint ownership of copyright for co-producers and at the same time it is proportionate to the respective contributions for co-producers to share market revenues.

3.4 The distribution contract, where it has already been signed;

3.5 A list of the creative and technical personnel indicating their nationalities and, in the case of performers, the roles they are to play;

3.6 The production schedule;

3.7 The detailed budget identifying the expenses to be incurred by each co-producer in each country; and

3.8 All contracts and other relevant financial documentation for all participants in the financial structure.

4. The competent authorities can demand any further documents and all other additional information deemed necessary, as to consider the co-production application.

5. In principle, the final shooting script (including the dialogue) should be submitted together with all other necessary documents to the competent authorities prior to the commencement of shooting for final approval.

6. Amendments, including the replacement of a co-producer, may be made in the original contract, but they must be submitted for approval by the competent authorities before the audio visual co-production is finished. The replacement of a co-producer may be allowed only in exceptional cases and for reasons satisfactory to both the competent authorities.

7. The competent authorities will keep each other informed of their respective decisions.