

**“REFERENCE INTERCONNECT OFFER (“OFFER”) FOR DIGITAL ADDRESSABLE SYSTEM (“DAS”)**

**FROM SITI NETWORKS LIMITED (SNL) {EARLIER KNOWN AS SITI CABLE NETWORK LIMITED (“SCNL”)} FOR PROVIDING ACCESS OF SCNL’S NETWORK TO THE BROADCASTER FOR CARRIAGE OF CHANNEL(S) SPECIFIED HEREIN IN DAS NOTIFIED AREAS.**

**Pursuant to Clause 4.7 of Telecommunication (Broadcasting and Cable Services) Interconnection (Digital Addressable Cable Television Systems) Regulations, 2012**

The terms mentioned in this Reference Interconnect Offer (RIO) are broad terms indicative and applicable to BROADCASTERS desirous of accessing the network of SCNL in DAS notified areas for carriage of the specified Channel(s) pursuant to the request made in this behalf, on acceptance of which the parties shall have to enter into a detailed Carriage Agreement containing all the terms and conditions to enable the Broadcaster to access the network of SCNL in DAS notified areas for carriage of their specified Channel(s).

- |    |                           |   |
|----|---------------------------|---|
| 1. | Definitions               | In this RIO, unless the context otherwise requires, the words used in this RIO shall have the meaning ascribed in <b>ANNEXURE-I</b> attached herewith.  |
|    | Term                      | As mutually agreed between SCNL and Broadcaster, subject to a minimum of one (1) year (“Term”), unless terminated earlier in accordance with the provisions of this Agreement.<br><br>Starting from (effective date) and Ending on _____.<br><br>If the Parties hereto wish to renew this Agreement on the expiry of the Term, both Parties shall enter into discussions at least sixty (60) days prior to the expiry of the Term with a view to enter into a new agreement on mutually agreed terms with effect from the expiry of this Agreement. |
| 2  | Territory/Areas           | <b>TO BE SPECIFIED</b>  |
| 3  | Channel(s)                | <b>TO BE SPECIFIED</b>  |
| 4  | Access to network of SCNL | The Broadcaster in order to maximize reach and viewership for its Channel(s) has approached SCNL and requested for accessing network of SCNL within the Territory for carriage of Channel(s) of the Broadcaster during the Term.  |

SCNL, pursuant to the said request hereby agrees to

provide access to its network within the Territory from effective date for carriage of Channel(s) of the Broadcaster during the Term for a consideration specified in Clause 7 herein below.

5 Rights of the SNL

The Broadcaster hereby grants to SNL, the non-exclusive rights during the Term of this Agreement:

- (a) To receive signals of its Channel(s)
- (b) To decrypt (if the same is in encrypted form), encrypt (without interfering in its content)
- (c) To carry the Channel(s) either directly and/or through its authorized cable operators on its Cable TV network within the Territory for reception by the Subscribers through SPE, which may or may not have storage capacity.
- (d) To sell/market the channel(s) on *ala-carte* basis and/or as part of any one or more of the packages of channels.
- (e) To charge such price, as may be decided by SNL in its sole discretion from time to time, from the Subscriber(s) subscribing to the Channel(s) or package of channels comprised of Channel(s) of the Broadcaster. It is explicitly made clear and understood by the Broadcaster that Broadcaster does not have any right to receive any share of subscription charges received by SNL from the Subscribers subscribing the Channel(s) or package comprised of Channel(s). It is also made explicitly clear and acknowledged by the Broadcaster that SNL has no obligation or liability to pay any subscription charges to the Broadcaster, whether such Channel(s) is a free to air channels or a Pay channel and/or a bouquet thereof.
- (f) To carry the Channel(s) as per the genre of the channel(s) as specified by the Broadcaster in accordance with extant regulation. SNL shall have the sole right to assign and also change at any time the channel listing assigned to a particular Channel(s) of the Broadcaster on its network.
- (g) To design different packages of the Broadcaster Channel(s) as per the location, demographics and requirements of a particular area.
- (h) SNL shall always have full flexibility in terms of packaging the Channels in any of its consumer

offerings/packages/tiers/a-la carte including putting the Channels in one or more tiers / packages / consumer offerings.

- (i) SNL shall have the right to suspend the services pertaining to carriage of the Channel(s) on its network immediately, if the Broadcaster is in breach of the applicable rules and regulations and/or the terms and conditions of this Agreement till such time the breach is cured.

**6** Obligation of the Broadcaster

- (a) The Broadcaster is responsible for the content of the Channel(s), even if the Broadcaster is not the creator of the material comprised in such content.
- (b) The Broadcaster is responsible for all necessary consents, approval, permission, registration, authorisation from the relevant authorities, persons, entities, etc. and must observe & comply with all the applicable laws for the time being in force in India as may be applicable for the activities being carried on by the Broadcaster.
- (c) The Broadcaster shall ensure that the service signals delivered are of quality as stipulated in relevant TRAI regulations/applicable standard and are comparable to other television signals being received and retransmitted by SNL. In event of Broadcaster failing to arrange for signals of the stipulated quality/standard, SNL shall be absolved of its obligation to retransmit Broadcaster signals. Broadcaster shall not have any right of messaging through their IRD/Decoders or any other system which blocks the view of the Channel(s) programme to the subscribers. This will be governed by the Quality of the Service Regulation dt. 15/5/12 issued by TRAI.
- (d) It shall be incumbent upon the Broadcaster to specify the 'genre' of the respective Channel(s). In case of any change in the genre of the Channel(s) or in the market positioning of the Channel(s), the Broadcaster shall provide 90 days prior notice to SNL
- (e) In case the Broadcaster decides to discontinue the Channel(s) from the Territory, it shall give at least two months prior notice of the same to SNL failing which it shall indemnify SNL for any cost, penalty, award SNL may suffer due to the abrupt discontinuation of the Channel(s).

(f) The Broadcaster shall ensure compliance with all the laws which are applicable for content in television channels including but not limited to Advertisement Code, Programme Code as prescribed in the Cable Television Networks Act 1995, the Cinematograph Act, 1957, the Indecent Representation of Women (Prohibition) Act, 1986, The Copyright Act, 1957 and rules framed thereunder, all Regulations made applicable to broadcasters by any the Governmental /Regulatory Authority. The Broadcaster hereby undertakes to indemnify SNL against any loss, damages, costs and expenses (including legal expenses) or otherwise, in case any action is brought by any party against SNL concerning any programme, advertisement or any other material broadcast through the said Channel(s). If for any reason the Broadcaster does not comply with applicable laws/regulations/codes, SNL shall be at liberty to immediately deactivate the said channel from its network and the Broadcaster shall be fully liable for such defaults/non-compliance.

(g) The Broadcaster would provide professional grade IRD and other requisite equipments to SNL for receiving the Channel(s).

(h) The Broadcaster shall provide its programming schedule at least 15 days in advance for the purpose of inserting the same in Electronic Programming Guide (EPG)

(i) The Broadcaster would independently make its best effort to promote and market its Channel(s) in the territory through various means including via public relations, trade related activities or otherwise.

**7 Carriage Fee**

(a) In consideration of providing access of its network by SNL within the Territory for carriage of Channel(s) of the Broadcaster during the Term, the Broadcaster shall pay Carriage Fee for each channel @ of Rs.1.85 per subscriber (per STB) per month which shall be payable in advance in four equal installments on quarterly basis..

(b) In addition, the Broadcaster shall be liable for the payment of all applicable taxes, cesses, etc. including service tax, as may be applicable on the Carriage Fee payable by the Broadcaster to SNL.

- (c) SNL shall raise quarterly Invoice in advance before commencement of each quarter for payment of carriage fee based on the number of STB's installed at the time raising the Invoice and the same has to be paid within a period of seven days from the date of Invoice. Thereafter, every month supplementary Invoice shall be raised for the additional STB's installed during each month. The payment for the supplementary Invoice shall be made within 7 days from the date of its receipt.
- (d) The payment of Carriage Fee shall be subject to deduction of Income Tax at source (TDS) at applicable rates, for which necessary TDS Certificates shall be issued by the Broadcasters within thirty (30) days from the date of deduction of the same by the Broadcaster from the Carriage Fee.
- (e) If the Broadcaster fails to pay the Carriage Fee to SNL on or before the due date(s), then without prejudice to any action which may be taken by SNL under the applicable Statute/Regulations etc for the time being in force, the Broadcaster shall be liable for the payment of interest @18% per annum during the period of such delay beyond the due date(s).

**8 Representations and Warranties**

Broadcaster represents, warrants, declares, undertakes and agrees that:

- (a) Broadcaster is the sole, absolute, exclusive and unencumbered legal owner of the Channel(s) which it is exhibiting, broadcasting and retransmitting through the network of SNL within the Territory.
- (b) That the Broadcaster has valid and subsisting rights including copyrights contained in the content that Broadcaster(s) shall broadcast, exhibit and retransmit through the network of SNL from time to time.
- (c) Broadcaster hereby covenants that the exercise of rights accruing through the Channel(s) which Broadcaster is exhibiting and/or retransmitting through the network of SNL, shall not in any way constitute any infringement of the intellectual property rights, copyright, trademark, moral right or other proprietary right or interest or any other rights of any third party, nor shall it be defamatory, contempt or breach of any provision of the statute,

or hurt sentiments of any religious groups or the declared policy of the State. In the event of unforeseen circumstances, Broadcaster shall immediately and promptly respond and do all that which may be necessary to resolve the issue in addition to indemnifying SNL as to the same and hold SNL indemnified and harmless against all claims, damages, costs and expenses including but not limited to attorney's fees arising out of any breach of the foregoing.

- (d) Broadcaster hereby undertakes that if, upon issuance of a public notice by the Broadcaster in respect of the Channel(s) which Broadcaster is exhibiting and/or transmitting in the network of SNL or otherwise, any objections and/or claims are raised by any third party, Broadcaster shall at its sole responsibility and liability, as to costs and consequences, remove such objections and/or defend such claims in addition to indemnifying SNL against any claims, loss, damage costs or expenses including but not limited to attorney fees arising out of such objection and/or claim.
  
- (e) Broadcaster has complete authority to deal with/in relation to exhibition, transmission and broadcast of the Channel(s) and there is no present or prospective claim, proceeding or litigation in respect of the Channel(s) which may in any manner impair, limit, inhibit, diminish or infringe upon any or all of the rights of the content that Broadcaster exhibits, transmits and broadcasts and distributes through SNL's network.
  
- (f) Without prejudice to Indemnity Clause as mentioned herein, Broadcaster shall also indemnify SNL in case of any breach of these RIO/Agreement, for any loss, harm, injury, damage that may/shall be caused to SNL due to any act, omission, commission by Broadcaster.

**9** Termination

- (a) In the event of default in the payment of Carriage Fee by the Broadcaster by the due date, SNL shall issue notice to the Broadcaster requesting it to make payment of outstanding Carriage Fee within a period of three (3) weeks of such notice. In case Broadcaster fails to make payment of outstanding Carriage Fee within such notice period of three (3) weeks, then SNL shall have right to forthwith terminate this RIO/Agreement.

- (b) In the event Broadcaster chooses not to broadcast its Channel(s) and notifies SNL of its intention by giving two (2) months notice in advance.
- (c) In the event SNL chooses not to carry on its present business activity pertaining to distribution of TV Channels as Multi System Operator (MSO).
- (d) By either of the Parties hereto ("Non-Defaulting Party") in the event of breach of any of the covenants or terms of this Agreement by the other Party ("Defaulting Party") provided that the Non-Defaulting Party shall give a notice of three (3) weeks to the Defaulting Party intimating it about the default(s) committed by it and the Defaulting Party fails to cure such defaults/breach within such notice period.
- (e) By either of the Parties hereto, in the event force majeure conditions subject to compliance of Clause 12 hereof.

**10** Consequences of termination

Upon the expiry or termination of this Agreement/RIO, except as provided hereunder or by the operation of law or otherwise,

- (a) all rights granted to and obligations undertaken by, the parties hereunder shall terminate immediately except obligations of Broadcaster to forthwith pay the Carriage Fee, including interest if any thereon, which are due and payable by the Broadcaster till the date of expiry or termination of this Agreement.
- (b) It is clarified herein that the termination of this Agreement shall not relieve any Party of any obligation or liability accrued prior to the date of termination and/or such clause which by its very nature extends or applies to the Parties even after termination

**11** Trade Marks

The Broadcaster hereby grants to SNL a non-exclusive license to use, the Trade Marks/Logos during the term of this Agreement/RIO.

**12** Force Majeure

Failure on the part of the either party to perform any of its obligations and the non provision of the access of its network by SNL for carriage of Broadcaster's Channel(s), shall not entitle the other party to raise any claim against the either party or be a breach hereunder to the extent that such failure arises from an event of force Majeure. Force Majeure will include any war, civil commotion, governmental action, accident, epidemic or

any other event of any nature or kind whatsoever beyond the control of the either Party. It is agreed between the Parties that lack of funds shall not in any event constitute or be considered an event of force Majeure. If the condition of Force Majeure shall continue for a period exceeding forty five (45) days, then the Parties shall meet to decide upon the future performance of the Agreement. If the Parties are unable to agree upon a plan for future performance then the Agreement shall be terminated upon notice of either party to the other, after the expiry of three (3) weeks from the date notice.

**13**    Applicable Law  
and Jurisdiction

- (a) This Agreement shall be exclusively governed by the laws of India.
- (b) It is clearly understood and agreed that the provisions of the TRAI Act & Regulations made there under, from time to time, and any regulation / policy laid down by Ministry of Information and Broadcasting, India from time to time shall be completely applicable to the present Agreement and none of the clauses contained herein shall be interpreted in a manner as may be in derogation of the said provisions and Regulations
- (c) In case of any dispute between the Parties, the Parties shall try to resolve such dispute by negotiations between the respective senior management personnel of the Parties.
- (d) The Parties acknowledge that TDSAT shall have exclusive jurisdiction in respect of any dispute between the Parties arising in connection with this Agreement (subject to any appellate relief that may be sought in any court of competent jurisdiction in Delhi). In the event any claims fall outside the jurisdiction of TDSAT, they may be referred to any court of competent jurisdiction in Delhi.



## ANNEXURE - I

## DEFINITIONS

- (a) **“Addressable System”** means an electronic device (which includes hardware and its associated software) or more than one electronic device put in an integrated system through which signals of cable television network can be sent in encrypted form, which can be decoded by the device or devices, having an activated conditional access system at the premises of the subscriber within the limits of authorization made, through the Conditional Access System and the subscriber management system, on the explicit choice and request of such subscriber, by SNL.
- (b) **“A-la-carte rate”** means the rate at which a standalone individual channel is offered to the distributor of TV channels or to the subscriber, as the case may be;
- (c) **“Areas”** means such areas within DAS notified areas in respect of which a request has been made by the Broadcaster for carriage of its channels through the Cable Television Network of SNL.
- (d) **“Channel(s)”** means the standard definition (SD) channel of the Broadcaster duly registered and permitted by the Ministry of Information and Broadcasting under the Up linking and Down linking guidelines and in respect of which a request has been made by the Broadcaster for carriage of the same through the Cable Television Network of SNL.
- (e) **“Broadcaster”** means a person or a group of persons, or body corporate, or any organisation or body providing programming services and includes his or its authorised distribution agencies.
- (f) **“DAS notified Areas”** means the areas where in terms of notifications issued by the Central Government under sub-section (1) of section 4A of the Cable Television Networks (Regulation) Act, 1995 (7 of 1995) as amended, it is obligatory for every cable operator to transmit or retransmit programs of any channel in an encrypted form through a digital Addressable System;
- (g) **“Intellectual Property Rights”** means all intellectual property rights owned and licensed, to be owned and licensed by the Broadcaster and/or the Channel(s) owners including but not limited to any patent, copyright, trademark or any mark, any right in the nature of the aforementioned rights, trade secrets, rights of attribution, integrity and similarly afforded “moral rights,” rights in unpatented know-how, inventions and technology, and any other intellectual or proprietary rights of any nature whatsoever in any part of the world,

- (h) "Network" means any system consisting of a set of closed transmission paths and associated signal generation, control and distribution equipment, designed to provide cable service for reception by multiple subscribers;
- (i) "**Notice**" means a written communication by one Party to the other Party or Parties, as the case may be, issued pursuant hereunder that is properly addressed to the Notice Address of the other Party and hand delivered, delivered by courier or pre-paid registered postage.
- (j) "**RIO**" or "**Agreement**" or "**This Agreement**" means this Reference Interconnection Offer together with its Annexures as may be amended from time to time.
- (k) "**SPE**" or "**Subscriber Premises Equipment**" shall be deemed to include Set Top Box (STB), Viewing Card and other tools and equipments/device(s) installed/to be installed at the Subscriber's Premises in order to receive and/or decode the Channel(s), purchased/procured by the Subscriber, which are compatible with technology employed by SNL for Cable Service in DAS notified areas. It is understood that each Set Top Box will be installed with one television set only.
- (l) "**Set Top Box**" (**STB**) means a device, which is connected to, or is part of a television and which allows a subscriber to receive in unencrypted and descrambled form subscribed channels through an addressable system.
- (m) "**Subscriber**" means any person or entity including Hotels, restaurants, clubs, institutions etc. which has officially subscribed to the Cable TV Service in accordance the Subscription form duly filled by it and is contractually bound by the Subscriber Terms and Conditions ("T&C") and does not include any third party using/seeking to use the Service for further distribution, re-sale or commercial purpose.

For the purpose of calculation of carriage fee, subscriber means each STB in the Areas that receives signals of various channels from SNL's Cable Television Network as per its Subscriber Management System (SMS).

**Note:** The words/terms not specifically defined herein above shall have the same meaning as ascribed to them in The Telecommunication (Broadcasting and Cable Services) Interconnection (Digital Addressable Cable Television Systems) Regulations, 2012 dated 30<sup>th</sup> April 2012 and 14<sup>th</sup> May 2012.

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