

**“Reference Interconnect Offer (RIO) for Digital Addressable System (DAS)”**

**Submitted by Altimetric Digital Pvt Ltd to Broadcasters/Aggregators**

**of TV channels for providing access to its Cable Network.**

Furnished in compliance to Regulation 4(7) of “The Telecommunication (Broadcasting and Cable Services) Interconnection (Digital Addressable Cable Television Systems) Regulations, 2012 and its amendments made time to time.

The terms and conditions stated herein in this Reference Interconnect Offer (herein after referred as “RIO”) are broad indicative terms applicable to the

Broadcasters/Aggregators (herein after referred as “Broadcaster”) who are interested in having access to the network of Altimetric Digital Pvt. Ltd. which operates Digital Cable Network in the DAS notified areas for carriage of the TV channels in the network of Altimetric Digital Pvt. Ltd. .

1.	Definitions	In this RIO, unless the context otherwise requires, the words used in this RIO shall mean and include as defined in ANNEXURE-I enclosed herewith.
2.	Scope	(a) The Broadcaster in a view to maximize the reach and viewership of its channels has approached Altimetric Digital Pvt. Ltd. with a request to provide access thereby to carry its TV channels particularly specified herein, in its cable network.  (b) In pursuant to the said request, Altimetric Digital Pvt. Ltd. has agreed to provide access to its network in the Territory mentioned herein under the terms and conditions of this RIO.
3.	Channel(s)	As specified in ANNEXURE-II
4.	Territory	As mentioned in Annexure II
5.	Term	(a) On mutual agreement between the parties herein, the term of the agreement shall be for a period of one year, unless terminated earlier in accordance to the provisions of this agreement.

		<p>(b) The period of this agreement shall commence from _____ and valid upto _____</p>
		<p>(c) The agreement may be renewed on mutually agreed terms and the parties shall open up the discussions at least 60 days prior to the date of expiry of this agreement for such renewal.</p>
<p>6.</p>	<p>Obligations of the Broadcaster</p>	<p>(a) The Broadcaster is responsible for the content and all the obligations, fee and payment for the content of the Channel(s), even if the Broadcaster is not the creator of the material comprised in such content.</p> <p>(b) The Broadcaster is responsible for all necessary consents, approval, permission, registration, authorisation from the relevant authorities, persons, entities, etc. and must observe &amp; 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.</p> <p>(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 Altimetric Digital Pvt. Ltd.. In event of Broadcaster failing to arrange for signals of the stipulated quality/standard, Altimetric Digital Pvt. Ltd. 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 issued by TRAI from time to time.</p> <p>(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 30 days prior notice to Altimetric Digital Pvt. Ltd.</p> <p>(e) 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 there under, all Regulations made applicable to BROADCASTERS by any the Governmental/Regulatory Authority.</p>

		<p>(f) The Broadcaster shall provide high quality professional grade IRD box(es) and other requisite equipments to Altimetric Digital Pvt. Ltd. for receiving its channels.</p> <p>(g) The Broadcaster shall provide its programming schedule at least 15 days in advance so as to facilitate the Electronic Programme Guide (EPG).</p> <p>(h) The Broadcaster shall not insist Altimetric Digital Pvt. Ltd. to place its Channel in a particular channel number or in the genres other than that specified by it and Altimetric Digital Pvt. Ltd. is at liberty to place the channels on its own discretion.</p> <p>(i) The Broadcaster shall pay such amounts payable by it to Altimetric Digital Pvt. Ltd. on demand by Altimetric Digital Pvt. Ltd. as provided in this agreement.</p>
7.	Fees	<p>(a) In consideration of providing access of its network by Altimetric Digital Pvt. Ltd. within the Territory for carriage of Channel(s) of the Broadcaster during the Term, the Broadcaster shall pay Carriage Fee for each channel the price per subscriber (per STB) per month as per the computation made in accordance with Annexure V of this Agreement/RIO, which shall be payable within fifteen days of receipt of the invoices for the respective quarter (Due Date)</p> <p>(b) The said fee is exclusive of Taxes, charges and other Governmental levies and the Broadcaster is liable to pay the applicable taxes, cesses and etc. in addition to the above said fees.</p> <p>(c) The fees once paid shall not be refunded under any circumstances.</p> <p>(d) The rationale of carriage fee is provided in ANNEXURE-III.</p>

8.	Payments	<p>(a) Altimetric Digital Pvt. Ltd. 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</p> <p>(b) The Broadcaster shall provide the statutory certificate for making any deductions as allowed by law, within the period specified under the prevalent laws.</p> <p>(c) The Broadcaster is liable to pay interest at the rate of 18% per annum for any delayed or defaulted payments.</p> <p>(d) Any delay or nonpayment of dues would be a non-performance of this agreement which shall lead to determination in which event Altimetric Digital Pvt. Ltd. is at liberty to de-activate or suspend the carriage of signals or to terminate this agreement in total, after following the due process of law.</p>
9.	Rights of Altimetric Digital Pvt. Ltd.	<p>The Broadcaster hereby grants to Altimetric Digital Pvt. Ltd., the non-exclusive rights during the term of this agreement for the Channels mentioned herein:</p>
		<p>(a) To receive the signals of its Channel(s).</p> <p>(b) To decrypt or encrypt, as the case may be, without interfering in its contents.</p> <p>(c) To carry the channel(s) directly to the subscribers or through its affiliated cable operators in its network.</p> <p>(d) To provide the channel(s) on <i>a-la-carte</i> basis and/or as a part of any one or more package(s) of TV Channels.</p> <p>(e) To formulate different packages for different location based on the demographic factors of a particular area.</p> <p>(f) To carry the channel(s) as per the declaration of the Broadcaster based on genre and shall have right and liberty to formulate and change at any time, the channel listings.</p>

		<p>(g) Altimetric Digital Pvt. Ltd. shall have the right to suspend the carriage of channel(s) on its network immediately, if the Broadcaster is in breach of any covenants of this agreement and the applicable laws, until such time the breach is rectified.</p> <p>(h) To have a non-exclusive grant of license to use, the trade marks/logo during the terms of this agreement.</p>
10.	Representations and Warranties	<p>The Broadcaster hereby represents, warrants, declares, undertakes, covenants and agrees that:</p> <p>(a) The Broadcaster is the absolute owner of the TV channel(s) mentioned herein and declares that the contents transmitted therein are done after due authorization from its rightful owners.</p> <p>(b) The Broadcaster shall not hold Altimetric Digital Pvt. Ltd. as its agent under this agreement. No subscriber or cable operators shall be deemed to have any privity of contract or direct contractual relationship with the Broadcaster by virtue of this Agreement. The relationship between the Broadcaster and Altimetric Digital Pvt. Ltd. is on “Principal to Principal” basis.</p> <p>(c) The Broadcaster shall not have any right, without the prior written consent of Altimetric Digital Pvt. Ltd., to assign or transfer the agreement or any rights or obligations acquired by this agreement.</p> <p>(d) Nothing contained in this agreement shall constitute or be construed to be or create a partnership or joint venture between the Broadcaster and Altimetric Digital Pvt. Ltd., and the Broadcaster shall not enter into any contract or obligation that purports to bind Altimetric Digital Pvt. Ltd..</p> <p>(e) The Broadcaster has valid and continuing rights including copyrights contained in the content that the Broadcaster shall broadcast and exhibit through Altimetric Digital Pvt. Ltd.’s network.</p> <p>(f) The Broadcaster shall submit to Altimetric Digital Pvt. Ltd. a copy of its permission for Uplinking/Downlinking obtained from the Ministry of Information and Broadcasting and confirms that the said permission shall be kept in full force and shall inform Altimetric Digital Pvt. Ltd. in the event of any changes or termination in its said permissions within 3 days of such change.</p>

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11.	Termination	<p>(a) In the event of the Broadcaster failing to pay its current dues or make any default in payment, Altimetric Digital Pvt. Ltd. shall disconnect the carriage in accordance to the regulations of TRAI and shall have right to terminate this agreement.</p> <p>(b) In the event the Broadcaster decides to stop its broadcasting of channel(s) and notifies Altimetric Digital Pvt. Ltd. of its decision by giving two months of advance notice.</p> <p>(c) In the event Altimetric Digital Pvt. Ltd. decides not to carry on its present business activity pertaining to re-transmission of TV channels as Multi System Operator (MSO).</p> <p>(d) By either party in the event on one party fails to comply with any of the terms and conditions of this agreement and such failure, if capable of remedy, is not rectified within 30 days of receipt of written notice of such failure from the other party including an event of force majeure.</p>

12.	Effects of Termination	<p>(a) In case of default by the Broadcaster, Altimetric Digital Pvt. Ltd. may instead of termination the agreement, suspend the carriage of TV channel(s) in accordance to law, without any liability, responsibility or obligation to any of the viewers, advertisers and vendors of the Broadcaster for such period until the Broadcaster remedies the default.</p> <p>(b) All rights granted to and obligations undertaken by, the parties herein shall terminate immediately except obligations of the Broadcaster to forthwith pay the carriage fee, including the interest if any there from, which is due and payable to Altimetric Digital Pvt. Ltd. till the date of such termination.</p> <p>(c) Upon termination of this agreement before its expiry, the parties may, by mutual consent, revive this agreement. Altimetric Digital Pvt. Ltd. may re-activate the carriage of the channel(s) upon such revival subject to such terms and conditions as are mutually agreed.</p>
13.	Governing Law and Jurisdiction	<p>(a) The rights and obligations of the parties under the agreement shall be governed by laws of India.</p> <p>(b) In case of any dispute between the parties, the parties shall try to resolve such dispute by mutual negotiations between the parties in best possible manner. Disputes if any shall be referred to Telecom Regulatory Authority of India (TRAI) or Telecom Disputes Settlement and Appellate Tribunal (TDSAT) as the case may be. For the matters falling outside the jurisdiction of TDSAT, the courts of Chennai shall have jurisdiction.</p>
14.	Force Majeure	<p>Failure on the part of either parties to perform any of its obligations and non provision of the access of its network by Altimetric Digital Pvt. Ltd. for carriage of Channel(s) of the Broadcaster, shall not entitle the other party to raise any claim against either party or constitute a breach of this agreement to civil commotion; government action not an event of Force</p>



		<p>limited to cancellation of statutory permission/registration /license of either party except due to a fault of such party, accident, epidemic or any other event of any nature or kind whatsoever beyond the control of either party. It is mutually agreed that lack of funds shall not constitute an event of Force Majeure. If the condition of Force Majeure shall continue for a period exceeding 30 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 of the agreement, then the agreement shall be terminated upon notice of either party to the other, after the expiry of three weeks from the date of notice.</p>
15.	Notices	<p>Any notice to be served upon any party by the other shall be deemed to have been validity sent if by Registered post with AD or Speed post at the address mentioned in the beginning or at such other changed address as the party may inform and the date of receipt of such notice by other party will be the date of the delivery or shall be 7 days from the date of dispatch of the notice.</p>
16.	Modifications	<p>The agreement cannot be modified, varied or terminated except in writing. Any variation of the Agreement, including addendum agreements, annexures, Schedules or any other document, called by whatsoever name, but executed relating to this agreement, shall be mutually agreed in writing and executed by or on behalf of the parties.</p>

## ANNUEXURE – I

### DEFINITIONS :

- (a) **“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;
- (b) **“Territory”** 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 Altimetric Digital Pvt. Ltd.;
- (c) **“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 Altimetric Digital Pvt. Ltd.;
- (d) **“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;
- (e) **“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;
- (f) **“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;
- (g) **“RIO” or “Agreement” or “This Agreement”** means this Reference Interconnection Offer together with its Annexures as may be amended from time to time.
- (h) **„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.

- (i) **“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 Altimetric Digital Pvt. Ltd.’s Cable Television Network as per its Subscriber Management System (SMS) ;

- (j) **“Package”** means an assortment of distinct channels, offered together as a group or as a bundle;
- (k) **“Subscriber Management System”** or **“SMS”** means a system or device which stores the subscriber records and details with respect to name, address and other information regarding the hardware being utilised by the subscriber, channels or bouquets of channels subscribed to by the subscriber, price of such channels or bouquets of channels as defined in the system, the activation or deactivation dates and time for any channel or bouquets of channels, a log of all actions performed on a subscriber's record, invoices raised on each subscriber and the amounts paid or discount allowed to the subscriber for each billing period;
- (l) The words and expression used herein and not defined, but defined in “The Telecommunication (Broadcasting and Cable Services) Interconnection (Digital Addressable Cable Television systems) Regulations, 2012” shall have the meaning assigned respectively to them in the said regulations.



### ANNEXURE-III

#### **Rationale in determining Carriage fee.**

The fundamental element in determining the carriage fee lies in the enormous cost involved in building and maintaining the network. The task of complying the regulations of TRAI not limited but to the size of 500 channels head end, QOS regulations and Consumer complaint redressal regulations, involves a pretty much infrastructure which would be transformed into huge investments. The costs involved may be divided into:

#### **Fixed Cost:**

Setting up class of art digital head ends with the capacity to carry up to 500 channels which includes alternate power redundancy, air conditioning systems, larger space, encoders, Multiplexers, fire prevention systems and etc.

Setting up Conditional Access Which includes license fee, monitoring solutions and middleware additional cost, third party servers.

Setting up the Subscriber Management System which includes application server, database and other servers.

Billing system which would include the software license fee.

Establishment of a professional Call Centre.

Mass printing and storage of stationeries including forms, manuals and etc.

Subsidy on Set Top Boxes.

Additional Fibre Optic back bone network.

#### **Variable Cost:**

Manpower requirement for 24X7 maintenance.

Skilled call agents in Call centre.

Activation and deactivation support, hardware and software for STBs.

Import duties based on foreign exchange fluctuations.

Invoicing, distribution of invoices and collection expenses.

Interest costs on borrowings from financial institutions.

Other over heads.

The broadcaster accepts that by the reason of the above investments and costs, the Set Top Boxes at the rate proposed by Altimetric Digital Pvt. Ltd. to the subscriber would yield negative returns to Altimetric Digital Pvt. Ltd..

The Broadcaster agrees that in order to Altimetric Digital Pvt. Ltd. meet out the aforesaid fixed and variable costs and in order to maintain a vast consumer base to ensure the availability of Set Top Boxes in competitive rates the Broadcaster has agreed to offer the carriage fee mentioned herein in the agreement to access the cable network of Altimetric Digital Pvt. Ltd..

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