

TO BE PUBLISHED IN THE GAZETTE OF INDIA, EXTRAORDINARY,

PART III, SECTION 4

TELECOM REGULATORY AUTHORITY OF INDIA

NOTIFICATION

New Delhi the 15th March, 2016

THE TELECOMMUNICATION (BROADCASTING AND CABLE SERVICES) INTERCONNECTION (DIGITAL ADDRESSABLE CABLE TELEVISION SYSTEMS) (SEVENTH AMENDMENT) REGULATIONS, 2016 (No. 3 of 2016)

No. 26-01/2015-B&CS -----In exercise of the powers conferred by section 36, read with sub clauses (ii), (iii), (iv) and (v) of clause (b) of sub-section (1) of section 11, of the Telecom Regulatory Authority of India Act, 1997 (24 of 1997), read with notification of the Government of India, in the Ministry of Communication and Information Technology (Department of Telecommunication) No.39,-----

(a) issued, in exercise of the powers conferred upon the Central Government by proviso to clause (k) of sub-section (1) of section 2 and clause (d) of sub-section (1) of section 11 of the said Act, and

(b) published under notification No. 39 (S.O. 44 (E) and 45 (E)) dated the 9th January, 2004 in the Gazette of India, Extraordinary, Part II- Section 3- Sub-section (ii), ----

the Telecom Regulatory Authority of India hereby makes the following regulations to further amend the Telecommunication (Broadcasting and Cable Services) Interconnection (Digital Addressable Cable Television Systems) Regulations, 2012 (9 of 2012), namely:-

1. (1) These regulations may be called the Telecommunication (Broadcasting and Cable Services) Interconnection (Digital Addressable Cable Television Systems) (Seventh Amendment) Regulations, 2016 (3 of 2016).

(2) They shall come into force from the date of their publication in the Official Gazette.

2. For sub-regulation 14 of regulation 3 of the Telecommunication (Broadcasting and Cable Services) Interconnection (Digital Addressable Cable Television Systems) Regulations, 2012

(9 of 2012), (hereinafter referred to as the principal regulations), the following sub-regulation shall be substituted, namely:---

“(14) Every multi system operator or its authorized agent shall provide the signals of TV channels to a local cable operator, in accordance with the regulation 5, within sixty days from the date of receipt of the written request and in case the request for providing signals of TV channels is not agreed to, the reasons for such refusal to provide signals shall be conveyed to the local cable operator making a request within sixty days from the date of request.”

3. The sub-regulations 15 and 16 of regulation 3 of the principal regulations shall be deleted.

4. For sub-regulation 13 of regulation 5 of the principal regulations, the following sub-regulation shall be substituted, namely:----

“(13) The multi system operator shall enter into a written interconnection agreement with the local cable operator for providing signals of TV channels to the local cable operator, on lines of the model interconnection agreement as set out in the Schedule IV of these regulations, by mutually agreeing on the clauses 10, 11 and 12 of the said agreement:

Provided that the multi system operator and the local cable operator, without altering or deleting any clause of model interconnection agreement, may add, through mutual agreement, clauses to the model interconnection agreement, provided that no such addition shall have the effect of diluting any of the clauses as laid down in the model interconnection agreement:

Provided further that in case the multi system operator and the local cable operator fail to enter into interconnection agreement as provided above in this sub-regulation, the multi system operator and the local cable operator shall enter into standard interconnection agreement as specified in Schedule-V of these regulations.

Explanation: for removal of doubts it is clarified that in the event of any conflict between the terms and conditions of the prescribed model interconnection agreement and new terms and conditions added through mutual agreement by the parties, the terms and conditions of the prescribed model interconnection agreement shall prevail.”

5. After sub-regulation 13 of regulation 5 of the principal regulations, the following sub-regulations shall be inserted, namely:----

“(13A) Every multi-system operator shall, within thirty days from the date of commencement of the Telecommunication (Broadcasting and Cable Services) Interconnection (Digital Addressable Cable Television Systems) (Seventh Amendment) Regulations, 2016, give a written option to all linked local cable operators to modify their existing agreements in accordance with the model interconnection agreement or standard interconnection agreement, as the case may be, and it shall be open to the linked local cable operator to modify their existing agreement within thirty days from the date of receipt of such option or continue with the existing agreement till its expiry and enter into the model interconnection agreement or standard interconnection agreement, as the case may be, thereafter.

(13B) Every multi-system operator shall, within a period of thirty days from the date of receipt of request from the local cable operator to provide the signals of TV channels, enter into an interconnection agreement in accordance with the terms and conditions of the model interconnection agreement or standard interconnection agreement, as the case may be.”

6. In the principal regulations, after Schedule III, the following Schedules shall be inserted, namely:-

“Schedule IV

(Refer sub-regulation 13 of the regulation 5)

MODEL INTERCONNECTION AGREEMENT BETWEEN MULTI SYSTEM OPERATOR AND LOCAL CABLE OPERATOR FOR PROVISIONING OF CABLE TV SERVICES THROUGH DIGITAL ADDRESSABLE SYSTEMS (DAS).

[1. Each page of this Agreement shall be signed by the authorised signatory of Multi System Operator and Local Cable Operator;

2. The numbers allotted to the clauses in this format shall not be altered and additions (if any) may either be carried out at the end of relevant clause or after the last clause of this format].

This Technical and Commercial Interconnection Agreement along with its Schedules and Annexures is executed on this _____ day of _____ 201_ by and between:

_____, having its office at _____

_____, through its Authorised Signatory, hereinafter referred to as the “MSO” which expression shall unless repugnant to the context or meaning thereof, be deemed to include its successors, assignees, legal heirs and executors of the **ONE PART**.

MSO's Status: Individual/Firm/Company/Association of Persons/Body of Individuals
(*strike out whichever is not applicable or modify suitably in case of Association of Persons or
Body of Individuals*)

AND

_____, having its office at

_____, through its Authorised Signatory, hereinafter referred to as the
“**LCO**” which expression shall unless repugnant to the context or meaning thereof, be
deemed to include its successors, assignees, legal heirs and executors, of the **OTHER PART**
LCO's Status: Individual/Firm/Company/Association of Persons/Body of Individuals
(*strike out whichever is not applicable or modify suitably in case of Association of Persons or
Body of Individuals*)

The **MSO** and the **LCO** are hereinafter individually referred to as ‘Party’ and collectively
referred to as “**Parties**”.

WHEREAS,

A. The MSO is a cable operator, who has been granted registration No. _____ dated
_____ under the Cable Television Networks Rules, 1994, by the Ministry of
Information and Broadcasting, for providing cable TV services through digital addressable
systems in the areas of _____ notified by the Central
Government under Section 4A of the Cable Television Networks (Regulation) Act, 1995.

B. The LCO is a cable operator, who has been granted registration under the Cable Television
Networks Rules, 1994, having postal registration No. _____ dated
_____, in the head post office _____, [Name of the head post office]
for providing Cable TV Services in _____ [Mention the area].

C. The LCO has requested the MSO vide its letter No. _____
dated _____ for making available signals of TV channels and the MSO has
agreed vide its letter No. _____ dated _____ to provide signals of TV
channels to such LCO.

D. TERRITORY: Territory, in the context of this Agreement is _____
[mention the name of area(s)/ city(ies)/ district(s)/ state(s) for which this agreement is being signed.]

E. The Parties have mutually agreed to execute this Agreement - on principal to principal and non-exclusive basis - between them to govern the roles, responsibilities, rights, obligations, technical and commercial arrangement in regard to the distribution of TV channels in the Territory.

F. The Parties also mutually agree that each and every transaction including transaction of any properties/ assets between the Parties shall be carried out in writing or in any other verifiable means.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants contained herein, the Parties agree as follows: -

1. DEFINITIONS

The words and expressions used in this Agreement shall have meanings as assigned to them in the Schedule to this Agreement. All other words and expressions used in this Agreement, but not defined, and defined in the Act and rules and regulations made there under or the Cable Television Networks (Regulation) Act, 1995 (7 of 1995) shall have the meanings respectively assigned to them in those Acts or the rules or regulations, as the case may be.

2. TERM OF THE AGREEMENT

2.1 The Agreement shall commence on _____ [dd/mm/yyyy] and remain in force till _____ [dd/mm/yyyy] or the date of expiry of registration of the MSO or the LCO, as the case may be, whichever is earlier, unless terminated by either Party as per the terms and conditions of this Agreement.

2.2 The duration of the Agreement may be extended on terms and conditions to be mutually agreed between the Parties and recorded in writing provided that the extended term

does not go beyond the last date of validity of registration of the MSO or the LCO, whichever is earlier.

3. TERMINATION OF THE AGREEMENT

3.1 Either Party has a right to terminate the Agreement by serving an advance notice of 21 days in writing to the other Party in the event of:-

- (i) material breach of the Agreement by the other Party which has not been cured within 15 days of being required in writing to do so; or
- (ii) the bankruptcy, insolvency or appointment of receiver over the assets of other Party; or
- (iii) the other Party indulging in, or allowing or inducing any person to indulge in piracy or carrying programming service provided on the channel which is in violation of the Programme & Advertising Codes prescribed in the Cable Television Network Rules, 1994, as amended from time to time.

3.2 The LCO has a right to terminate the Agreement in the event of the MSO discontinuing the business of retransmission of signals of TV channels in the Territory.

3.3 The MSO has a right to terminate the agreement in the event of the LCO discontinuing its cable TV business in the Territory.

3.4 If the MSO decides to discontinue the business of retransmission of signals of TV channels in the Territory for any reason, it shall give a notice in writing, specifying the reasons for such decision, to the LCO at least 90 days prior to such discontinuation.

3.5 If the LCO decides to discontinue its business of providing signals of TV channels to the subscriber in the territory, it shall give a notice in writing, specifying the reasons for such decision, to the MSO at least 90 days prior to such discontinuation.

4. EFFECT OF TERMINATION AND EXPIRY

4.1 In the event of termination or expiry of the term of the Agreement, as the case may be, at the instance of either Party, each Party shall pay all amounts due and payable up to the date of termination or expiry to the other Party.

4.2 The LCO shall, within 15 days of the termination or expiry of the term of this Agreement, as the case may be, in terms of the provisions mentioned herein, hand over to the MSO all properties and assets belonging to the MSO, which are in the custody of the LCO. The LCO shall also be liable to make good all the losses or damages, if any, caused to such properties and assets belonging to the MSO, in custody of the LCO, within 30 days from the receipt of notice to this effect from the MSO and in the event of inability of LCO to repair such properties/assets, the LCO shall pay to the MSO the depreciated value of such properties/ assets.

4.3 The MSO shall, within 15 days of the termination or expiry of the term of this Agreement, as the case may be, in terms of the provisions mentioned herein, hand over to the LCO all properties and assets belonging to the LCO, which are in the custody of the MSO. The MSO shall also be liable to make good all the losses or damages, if any, caused to such properties and assets belonging to the LCO, in custody of the MSO, within 30 days from the receipt of notice to this effect from the LCO and in the event of inability of MSO to repair such properties/assets, the MSO shall pay to the LCO the depreciated value of such properties/ assets.

Explanation:- The clause 4.2 and 4.3 above shall not have any application in respect of Hardware or any other equipment belonging to the MSO or the LCO, as the case may be, which are installed at the premises of the subscribers.

4.4 If the LCO or the MSO, as the case may be, fails to hand over the assets or make good losses or damages caused to such properties and assets within the above stipulated period, the defaulting Party shall be liable to make payment for the depreciated value of the same together with simple interest calculated at the rate 2% over and above the base rate of interest of the State Bank of India.

5. PROVISIONING OF SERVICES

5.1 The MSO shall make available signals of TV channels to the LCO, on non-exclusive basis, in order to re-transmit the same to the subscribers in the Territory, in terms of this agreement and as per prevailing norms, policies, the applicable laws and rules, regulations, directions and orders of the concerned authorities.

5.2 The LCO shall carry signals of TV channels received from the MSO, on non-exclusive basis, for distribution to the subscribers in the Territory.

5.3 The Parties shall compulsorily transmit, re-transmit or otherwise carry any channel, content or programme only in encrypted mode through a digital addressable system strictly in terms of and in accordance with the applicable laws and regulations.

5.4 The roles and responsibilities of the Parties to the Agreement for provisioning of services are contained in **clause 10** of this Agreement.

5.5 In consideration of the roles and responsibilities mentioned in **clause 10** of the Agreement, the revenue settlement between the LCO and the MSO have been mentioned in the **clause 12** of the Agreement.

6. RIGHTS OF THE MSO

6.1 The MSO shall continue to have a right of ownership of its network used to deliver the cable TV services under this agreement and it may expand/ upgrade/ change/ replace/ re-design any part or entire network subject to the condition that any such activity does not interrupt or degrade the Quality of Service provided to the subscribers.

6.2 The MSO shall sign the interconnection agreement with broadcasters for re-transmission of signals of TV Channels as per prevailing norms, policies, the applicable laws and rules, regulations, directions and orders of the concerned authorities.

6.3 The MSO shall have the right to finalise the maximum retail price of each channel, as payable by the subscriber in compliance with the provisions of applicable laws and rules, regulations and tariff orders.

6.4 The MSO shall have the right to package the channels/ services offered on the network, as per its business plan and as per prevailing norms, policies, the applicable laws and rules, regulations and tariff orders.

6.5 The MSO shall have the right to finalise the rate of Basic Service Tier (BST) in compliance with the provisions of the applicable tariff orders and regulations notified by the Authority from time to time.

6.6 The MSO shall have the right to finalise the rates of bouquets of channels, if offered by the MSO, in compliance with the provisions of the applicable tariff orders and regulations notified by the Authority.

6.7 The MSO shall have the right to get all requisite information from the LCO for the purpose of fulfilling its responsibilities under the Agreement, and the applicable orders and regulations.

7. RIGHTS OF THE LCO

7.1 The LCO shall continue to have its right of ownership of its network used to deliver the cable TV services under this agreement and it can expand/ upgrade/ change/ replace/ re-design any part or entire network subject to the condition that any such activity does not interrupt or degrade the Quality of Service offered to the subscriber on its network.

7.2 The LCO shall have right to get all the requisite information from the MSO for the purpose of fulfilling its responsibilities under the Agreement, and the applicable orders and regulations.

8. OBLIGATIONS OF THE MSO

8.1 MSO shall set up and operationalise the Head-end, Conditional Access System (CAS) and Subscriber Management System (SMS) for ensuring efficient and error-free services to the subscribers by recording and providing individualized preferences for channels, billing cycles or refunds.

8.2 The MSO shall make available to the LCO, the necessary and sufficient information relating to the details of channels, bouquets of channels, and services offered to the subscribers including their prices.

8.3 The MSO shall provide web based grievance redressal mechanism for addressing the complaints of LCOs in relation to the provision of services, roles and responsibilities, revenue settlements, quality of services etc.

8.4 The MSO shall not issue pre-activated STBs and the STBs shall be activated only after the details of the Customer Application Form (CAF) have been entered into the SMS.

8.5 The MSO shall generate bills for subscribers on regular basis, for charges due and payable for each month or as per the billing cycle applicable for that subscriber, within 3 days from the end of the billing cycle.

8.6 The MSO shall provide access to the relevant part of the SMS under its control to the LCO for the purpose of fulfilling responsibilities by the Parties under the Agreement, and the applicable orders and regulations.

8.7 The MSO shall not indulge in any piracy or other activities, which has the effect of, or which shall result into, infringement and violation of trade mark and copyrights of the LCO or person associated with such transmission.

8.8 The MSO shall comply with all the applicable statutes or laws for the time being in force, or any rules, codes, regulations, notifications, circulars, guidelines, orders, directions etc. issued, published or circulated under any law for the time being in force.

8.9 The MSO shall not do any act or thing as a result of which, any right or interest of the LCO in respect of cable TV signals under this Agreement or any property of the LCO may be infringed or prejudiced.

8.10 The MSO shall be responsible for encryption of the complete signal, up to the STB installed at the premises of the subscriber.

8.11 The MSO shall not disconnect the signals of TV Channels, without giving three weeks' advance notice to the LCO clearly specifying the reasons for the proposed disconnection as envisaged in the Interconnection Regulation.

8.12. The MSO shall make available online payment gateway, prepaid system for subscribers and facility for electronic acknowledgment to the subscriber on the receipt of payment from the subscriber.

8.13 The MSO shall provide to the LCO at least 2% of the total STBs active in the network of the LCO with an upper cap of 30 STBs as maintenance spare, which are not pre-activated, to ensure speedy restoration of services affected due to any fault in STB. This quantity of maintenance spare STBs shall be maintained during the term of the agreement.

8.14 The MSO shall intimate to the LCO, at least 15 days in advance, in respect of any proposed changes in the package composition or the retail tariff being offered to the subscriber.

8.15 The MSO shall have no right, without the prior written intimation to the LCO, to assign or transfer any of its rights or obligations under this Agreement.

9. OBLIGATIONS OF THE LCO

9.1 The LCO shall handover a copy of CAF received from subscribers within 15 days to the MSO;

9.2 The LCO shall be responsible for entering the details of the bill amount paid by the individual subscriber to the LCO for the Cable TV services in the SMS.

9.3 The LCO shall not indulge in any piracy or other activities, which has the effect of, or which shall result into, infringement and violation of trade mark and copyrights of the MSO, or any other person associated with such retransmission.

9.4 The LCO shall have no right, without the prior written intimation to the MSO, to assign or transfer any of its rights or obligations under this Agreement.

9.5 The LCO shall not replace the STBs of the MSO with the STBs of any other MSO without receiving the requests from the subscribers through application forms for returning

the STB of the existing connections and for providing new connections through Customer Application Form. The new Set Top Box shall be activated only after entry of the details, as provided in new Customer Application Form, into the Subscriber Management System of the new MSO.

9.6 The LCO shall –

(i) not transmit or retransmit, interpolate or mix any signals which are not transmitted or generated by the MSO without the prior written consent of the MSO;

(ii) not insert any commercial or advertisement or information on any signal transmitted by the MSO. Any such tampering of signals or interpolating of signals shall be deemed to be a violation of this Agreement and shall constitute sufficient cause for termination of this Agreement by the MSO by giving such notice as prescribed under the law or under this agreement;

(iii) not interfere in any way with the signals provided by the MSO and also not use any decoding, receiving, recording equipment(s), counterfeit set top box or Smart card and any other like equipments;

(iv) not alter or tamper the Hardware including the seal (seal to prevent opening of set top box), misuse, replace, remove and shift the Smart card or STB without the written consent of MSO from their respective original addresses;

(v) not use, either before or after the installation of STB, of any decoding, receiving, recording equipment(s), counterfeit set top box(es), smart card(s) other than the STB(s), Smart cards and any other equipments supplied/ approved by the MSO, and to take actions as directed by the MSO against such subscribers.

(vi) intimate the MSO promptly about any alteration, tampering with the Hardware including the seal, misuse, replacement, removal and shifting of Smart cards and STBs, without the written consent of MSO, from their respective original addresses and also about the use, either before or after the STBs, of any decoding, receiving, recording equipment(s), counterfeit set top box(es) and smart card(s) other than the STB(s), Smart card(s) and any other items of Hardware supplied by the MSO, and to take actions as directed by the MSO against such subscribers.

9.7 The LCO shall not provide connection to any entity for further retransmission of the Cable TV signals.

9.8 The LCO shall not record and then retransmit Cable TV signals or otherwise to block or add or substitute or otherwise tamper with the signal being transmitted by the MSO or with the trunk line nor shall allow any other person to do so.

9.9 The LCO shall not do any act or thing as a result of which, any right or interest of the MSO in respect of the Cable TV signals under this Agreement or any property of the MSO may be infringed or prejudiced.

9.10 The LCO shall permit access to the systems under its control to the MSO, on non-exclusive basis, for the purpose of fulfilling responsibilities by the Parties under the Agreement, and the applicable orders and regulations.

9.11 The LCO shall not disconnect the signals of TV Channels, without giving three weeks' notice to the MSO clearly specifying the reasons for the proposed disconnection as envisaged in the Interconnection Regulation.

10. ROLES AND RESPONSIBILITIES OF THE MSO AND THE LCO:

Sl. No.	Role	<i>Responsibility of the MSO or the LCO as mutually agreed by the Parties - fill the cell accordingly</i>	Remarks
(1)	(2)	(3)	(4)
1	Publicizing schemes for obtaining and returning the Set Top Boxes (STBs) by the subscriber and the warranty/ repairing policy applicable thereof.		
2	Devising formats of application as specified in the schedule-I of the QoS regulations for seeking connection, disconnection, reconnection, transfer, and shifting of Cable TV services;		
3	Publication of Manual of Practice (MoP)		
4	Publication of Consumer Charter.		
5	Setting up of Website containing information pertaining to services, details of complaint centre, complaint redressal system, complaint monitoring system, citizen charter, nodal officer etc.		

6	<p>a. Establishment of Complaint centre for</p> <p>(i) addressing service requests of subscribers,</p> <p>(ii) redressal of complaints of subscribers.</p> <p>b. Establishment of web based Complaint Monitoring system.</p> <p>c. Providing Toll free Consumer Care Number and its publicity.</p> <p>d. Maintenance of records of all complaints filed by the consumer as provided in the Complaint Redressal Regulations.</p>		<p>In case this responsibility is given to the MSO then the MSO shall communicate to the LCO the details of complaint centre for onward communication to subscribers.</p>
7	<p>Specification of a system of discount or rebate to the subscriber due to interruptions in service and creating awareness about such scheme.</p>		

8	<p>a. Providing information to the subscriber about the schemes for obtaining and returning the STB and the warranty/repairing policy applicable thereof.</p> <p>b. Providing of the application form along with the MOP to the applicants/ subscribers and</p> <p>c. Receiving of application form from applicants/ subscribers for</p> <p>(i) connection, reconnection, transfer, and shifting of Cable TV services;</p> <p>(ii) obtaining and returning of STB.</p> <p>d. Returning of the duplicate copy of the application form to the applicant/ subscriber as an acknowledgment of receipt of application.</p> <p>e. Communication of shortcomings or deficiency, in the application form, in writing to the applicant, within 2 days of receipt of the application.</p> <p>f. Communication of technical or operational non-feasibility to the applicant, in case it is technically or operationally non-feasible to provide connection, reconnection, shifting of service or supply of STB at the location, where the services are requested by the applicant, within 2 days of receipt of the application.</p>		<p>The Party who has been assigned this responsibility shall update the information in the Subscriber Management System (SMS) in each case within 24 hours from the receipt of the application.</p>
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9	Issue of Unique Identification Number (UIN) for the applicant.		The UIN shall be generated from the SMS. In case the responsibility is assigned to the LCO then the relevant access of the SMS should be provided by the MSO to the LCO.
10	Installation of STB at the premises of the subscriber and activation through SMS.		In case the responsibility is assigned to the LCO then the MSO should provide relevant access to SMS for STB activation.
11	Providing rebate to the subscriber for delay in installation and activation of STB.		
12	Issuance of advance notice of 15 days regarding discontinuing or disconnection of cable service to the subscriber, indicating the reasons for such discontinuation or disconnection.		
13	Receipt of request from the subscriber for disconnection or suspension of service and its execution through SMS.		
14	Receipt of request for change in subscription package from the subscribers and its execution through SMS.		
15	Notice to the Subscribers regarding disruption of signals for preventive maintenance.		

16	Response to the consumer complaints as per norms of the QoS regulations.		The complaints received by the Party shall be immediately updated in the web based complaint monitoring system so that the necessary corrective action can be taken by the Parties in time and the same can be monitored by the complainant.
17	Redressal of consumer complaints as per the norms of the QoS regulations:- (i) relating to 'No signal'; (ii) relating to STB; (iii) relating to subscriber's billing and receipts; (iv) any other complaint.		The complaints redressed by the Party shall be immediately updated in the web based complaint monitoring system.
18	Designation of nodal officer as per the provisions of the consumer complaint redressal regulation.		
19	Communication to subscriber about redressal of the complaint received from the Authority.		
20	Printing and delivery of system generated itemized bills to subscribers.		
21	Delivery of payment receipts to subscribers.		
22	Electronic acknowledgement to subscriber.		

23	Providing information relating to itemised usage showing actual usage of service in case of prepaid bills for any period within 6 months.		The requests received by the LCO shall be immediately updated in the SMS so that the MSO can provide the requisite details to the subscriber in time.
24	Payment of taxes to the Government.	MSO and/ or LCO	The specific details of tax payment responsibilities need to be filled in the adjoining cells at the time of signing of the agreement as per the rules and regulations of the respective Tax authorities.

Note:- The responsibilities for various roles mentioned in the column (2) above can be mutually agreed by the Parties and accordingly the cells of the column (3) to be filled.

11. BILLING

11.1 The billing for subscriber shall be in the name of _____ . However, each Party shall ensure that the applicable laws, rules and regulations relating to taxes are complied with.

11.2 The Party, in whose name the billing for subscribers have been agreed in the clause 11.1 above, shall receive the payment of the subscription fee paid by the subscribers. The revenue share as per clause 12.1 of this Agreement shall be paid by this Party to the other Party on receipt of the invoice from the other Party.

12. REVENUE SETTLEMENT BETWEEN THE LCO AND THE MSO AND RELATED RIGHTS AND OBLIGATIONS

12.1 The revenue settlement between the LCO and the MSO shall be in the following manner:-

- (a) the charges collected from the subscription of channels of Basic Service Tier, free to air channel and bouquet of free to air channels shall be shared in the ratio of _____:_____ between the MSO and the LCO respectively; and
- (b) the charges collected from the subscription of channels or bouquet of channels or channels and bouquet of channels other than those specified under clause (a) shall be shared in the ratio of _____:_____ between the MSO and the LCO respectively.

Note:-

For mutual agreement cases where the roles and responsibilities of the MSO and the LCO have been agreed as per column (3) of clause (10), this clause can be suitably amended based on mutual agreement.

12.2*

(When the billing for subscribers is in the name of the LCO and the LCO receives the payment of subscription fee paid by the subscribers)

The MSO shall issue monthly invoice to the LCO towards dues payable by the LCO for revenue settlement and such invoice shall clearly specify the current payment dues and

arrears, if any, along with the due date of payment which shall not be less than seven days. Any demand of arrears shall be accompanied by the proof of service of invoices for the period for which the arrears pertain. The amounts raised in the invoice shall be payable on or before the due date as mentioned therein.

OR

12.2*

(When the billing for subscribers is in the name of the MSO and the MSO receive the payment of subscription fee paid by the subscribers)

The MSO shall share the complete information relating to the subscribers billing and receipt of the payments with the LCO. The LCO shall issue monthly invoice to the MSO towards dues payable by the MSO for revenue settlement and such invoice shall clearly specify the current payment dues and arrears, if any, along with the due date of payment which shall not be less than seven days. Any demand of arrears shall be accompanied by the proof of service of invoices for the period for which the arrears pertain. The amounts raised in the invoice shall be payable on or before the due dates as mentioned therein.

*(*Strike out whichever is not applicable at the time of signing individual agreement)*

12.3 The Party shall update the details of the subscription amount realised from the subscriber, in the SMS within 7 days from the due date.

13. DEFAULTS

13.1 Without prejudice to such rights and remedies that the Parties may have in law or under the provisions of this Agreement, in the event of any delay or failure by the MSO or the LCO, as the case may be, to make payments of dues on or before the respective due dates, the LCO or the MSO, as the case may be, shall have the right:-

(i) to disconnect the services subject to the compliance of the applicable rules, regulations, directions or orders of the Authority;

(ii) to terminate this Agreement, subject to compliance of the applicable laws in force;

(iii) to charge a simple interest at the rate 2% over and above of the base rate of interest of the State Bank of India from the date such amounts became due until those are fully and finally paid;

13.2 In cases where any of the Parties has failed to make payment on or before due date for three consecutive months in the past, the other Party shall have right to demand the interest free security deposit which shall not exceed average of immediately preceding 6 months billing amounts and the same shall be maintained for the remaining term of the agreement.

13.3 Upon disconnection of the service as mentioned in clause 13.1 above, whether accompanied by termination of this Agreement or not, the defaulting Party shall be liable to deposit forthwith all sums payable by it. In the case of termination, accounts shall be settled within thirty days and for delayed payments, either Party shall be liable to pay simple interest at the rate 2% over and above of the base rate of interest of the State Bank of India.

14. UNDERTAKINGS

14.1 Each Party shall recognize the exclusive ownership of the property owned and installed by the other Party and shall not have or claim any right, title or interest or lien of whatsoever nature.

14.2 Nothing contained herein shall constitute either Party as the agent or partner or the representative of the other for any purpose and neither Party shall have the right or authority to assume, create or incur any liability or obligation of any kind, express or implied, in the name of or on behalf of the other Party and the relationship between the MSO and the LCO shall remain on “Principal to Principal” basis.

14.3 It is expressly understood by the Parties that “_____” logo(s) is a Registered Trade Mark of the MSO, and the LCO shall use the said logo only during the currency of this Agreement for the benefit of the cable television networking business of the MSO. Consent of the MSO is hereby given to the LCO to use the said logo, to the extent of or in connection with the business of the MSO.

14.4 It is expressly understood by the Parties that “_____” logo(s) is a Registered Trade Mark of the LCO, and the MSO shall use the said logo only during the currency of this Agreement for the benefit of the cable television networking business of the LCO. Consent of the LCO is hereby given to the MSO to use the said logo, to the extent of or in connection with the business of the LCO.

14.5 It is clearly understood and accepted by each Party that it shall have no right to use any intellectual property of the other on its Cable TV service or otherwise on or after the withdrawal by the other Party of its consent for such uses.

14.6 In case the LCO or the MSO, as the case may be, decides to transfer its interest in respect of its business of providing Cable TV Service to any other party / person (third party), in whole or in part, the LCO or the MSO, as the case may be, shall give prior notice to the MSO or the LCO. One Party shall not have any objection to such transfer if the other Party has complied with its obligations under this contract and has paid all its dues.

Provided, however, that such third party shall sign and execute a deed of adherence to the terms & conditions of this Agreement and other undertaking/ bonds to the satisfaction of the MSO or the LCO, as the case may be, in order to give effect to the provisions of this Agreement.

14.7 The LCO shall maintain and continue to maintain its Postal Registration Certificate renewed from time to time in accordance with the Cable TV Networks (Regulation) Act, 1995 and comply with the terms and conditions of the registration certificate issued by the Postal Authority.

14.8 The MSO shall maintain and continue to maintain its Registration Certificate renewed from time to time in accordance with the Cable TV Networks (Regulation) Act, 1995 and comply with the terms and conditions of the registration.

14.9 Both the Parties shall comply with the Programme Codes and Advertising Codes prescribed in the Cable Television Network Rules, 1994, as amended from time to time.

14.10 Both the Parties shall comply with the laws for the time being in force in India, as applicable to them.

15. PREVENTION OF PIRACY

15.1 The Parties shall not indulge or allow any person to indulge in Piracy or in reverse engineering any technology used in the Hardware or any component thereof nor shall they use the Hardware to be connected to any equipment for setting up a mini head-end for retransmission of the signals generated from the same.

15.2 Signal to any subscriber shall be disconnected by the MSO or the LCO, as the case may be, after giving due notice as required under applicable regulations, if found to be indulged in or abetting any Piracy.

16. DISCLAIMER AND INDEMNITY

16.1 In no event, the MSO shall be liable to the LCO for any indirect, special, incidental or consequential damage arising out of or in connection with the disruption, interruption or discontinuance of the Service or for any inconvenience, disappointment or due to deprivation of any programme or information or for any indirect or consequential loss or damage, which is not attributable to any act of the MSO.

16.2 In no event, the LCO shall be liable to the MSO for any indirect, special, incidental or consequential damage arising out of or in connection with the disruption, interruption or discontinuance of the Service or for any inconvenience, disappointment or due to deprivation of any programme or information or for any indirect or consequential loss or damage, which is not attributable to any act of the LCO.

16.3 LCO shall indemnify the MSO for all cost, expense and damages by reason of any claim, action or proceedings from any third party or from subscribers for any inconvenience, loss or annoyance caused to them due to any default of the LCO or due to termination of the Agreement or suspension of the Service due to LCO's breach.

16.4 MSO shall indemnify the LCO for all cost, expense and damages by reason of any claim, action or proceedings from any third party or from subscribers for any inconvenience, loss or annoyance caused to them due to any default of the MSO or due to termination of the Agreement or suspension of the Service due to MSO's breach.

17. GOVERNING LAW AND DISPUTE RESOLUTION

17.1 As mandated by the Telecom Regulatory Authority of India Act, 1997, the Parties shall not institute any suit or seek injunction or interim orders in any court or judicial tribunal/ authority in India with respect to any claims, dispute or differences between the Parties arising out of this Agreement save and except before the Telecom Disputes Settlement and Appellate Tribunal, New Delhi ("TDSAT"). The Parties agree that all disputes between the Parties shall be resolved solely through proceedings instituted before the TDSAT.

18. FORCE MAJEURE

18.1 Failure on the part of the MSO or the LCO to perform any of its obligations, shall not entitle either Party to raise any claim against the other or constitute a breach of this Agreement to the extent that such failure arises from an event of Force Majeure. If through Force Majeure the fulfilment by either Party of any obligation set forth in this Agreement is delayed, the period of such delay shall not be taken into account in computing periods prescribed by this Agreement. Force Majeure will include act of god, earthquake, tides, storm, flood, lightening, explosion, fire, sabotage, quarantine, epidemic, arson, civil disturbance, terrorist attack, war like situation, or enactment of any law or rules and regulation made by the Authorities or revocation of registration of the Parties any circumstances beyond the reasonable control of the Parties herein that directly or indirectly hinders or prevents either of the Parties from commencing or proceeding with the consummation of the transactions contemplated hereby. The Party affected by such Force Majeure event shall promptly notify the other Party of the occurrence of such event. 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 conditions of Force Majeure to continue for a period exceeding one month, 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, on expiry of one month from the date of such notice.

18.2 Any accrued payment obligation of a Party prior to the commencement of Force Majeure shall survive the termination of this Agreement pursuant to such Force Majeure.

19. NOTICES

19.1 Any notice to be served on any Party by the other shall be deemed to have been validly sent if sent by Registered Post Acknowledgement Due (RPAD) or speed post service of Department of Post, Government of India or by hand delivery duly acknowledged 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 shall be the date of receipt by the other Party or 7 days from the date of dispatch of the notice by RPAD, whichever is earlier.

20. RESTRICTION ON TRANSFER

20.1 The either Party shall not remove, sell, assign, mortgage, transfer/sublet and encumber all or any part of the network which belongs to the other Party. If the Party indulges in any of the above-mentioned acts, the said acts shall be illegal and void ab-initio and the Party shall also be liable for any action under the applicable law.

21. CONFIDENTIALITY

21.1 The Parties shall keep in strict confidence, any information received by one from the other while participating in the affairs/business of each other and shall not disclose the same to any person not being a party to this Agreement.

21.2 The Parties shall also bind their employees, officers, advisors, associates, contractors, agents, authorized persons and other similar persons to whom the above mentioned information may be disclosed, to the obligations of confidentiality.

21.3 The Parties hereby agrees that the confidential information can be disclosed to the statutory authority on demand by such authorities.

22. MODIFICATIONS

22.1 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 whatever name, but executed in relation to this Agreement, shall be mutually agreed to in writing and executed by or on behalf of the Parties.

23. BINDING EFFECT

23.1 This Agreement modifies all prior understanding of the Parties as to the subject matter thereof and shall not be amended except in writing by both the Parties. Any other understanding between the Parties (if any) with regard to any other matter or any accrued rights and obligation of the Parties not covered under this agreement, if any, shall continue to be in full force and effect.

IN WITNESS WHEREOF the Parties have set and subscribed their respective hands to this Agreement on the date and year appearing hereinabove.

Signed on behalf of the MSO

(_____)

In the presence of

1.

2.

Signed on behalf of the LCO

(_____)

In the presence of

1.

2.

Note: The self attested copies of power of attorney/authorization letter, whereby the signatories of this agreement have been authorised to sign and execute this agreement by the Parties, shall be attached with this agreement.

DEFINITIONS AND INTERPRETATIONS

A. DEFINITIONS

In the Agreement unless the context requires otherwise, the following words and expressions shall have the meanings set out herein below:

- (a) **“Act”** means the Telecom Regulatory Authority of India Act, 1997 (24 of 1997), as amended from time to time;
- (b) **“Addressable System”** shall have the same meaning as assigned to it in the Cable Television Networks (Regulation) Act, 1995 (7 of 1995), as amended from time to time;
- (c) **“Authority”** means the Telecom Regulatory Authority of India established under subsection (1) of section 3 of the Telecom Regulatory Authority of India Act, 1997;
- (d) **“Basic Service Tier”** shall have the same meaning as assigned to it in the Tariff Order.
- (e) **“Bouquet” or “bouquet of channels”** means an assortment of distinct channels, offered together as a group or as a bundle;
- (f) **“Broadcaster”** means a person or a group of persons, or body corporate, or any organization or body who, after having obtained, in its name, uplinking permission or downlinking permission, as may be applicable for its channels, from the Central Government, provides programming services;
- (g) **“Cable service or cable TV service”** means the transmission by cables of programmes including retransmission by cables of any broadcast television signals;
- (h) **“Cable television network or cable TV 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) **“Channel or TV channel”** means a channel, which has been registered under -----
 - (i) the guidelines for uplinking from India, issued vide No.1501/2/2002-TV(I)(Pt.) dated the 2nd December, 2005; or
 - (ii) policy guidelines for downlinking of televisions channels, issued vide No.

13/2/2002-BP&L/BC-IV dated the 11th November, 2005, -----

as amended from time to time, or such other guidelines for uplinking or downlinking of television channels, as may be issued from time to time by Government of India (Ministry of Information and Broadcasting) and reference to the term 'channel' shall be construed as a reference to "channel or TV channel";

- (j) **"Complaint Centre"** means a facility established by the multi-system operator or his linked local cable operators, as the case may be, under Consumer Complaint Redressal Regulation;
- (k) **"Consumer Complaint Redressal Regulation"** means the Consumers Complaint Redressal (Digital Addressable Cable TV Systems) Regulations, 2012 (13 of 2012), dated 14th May 2012, as amended from time to time;
- (l) **"CTN Act"** means the Cable Television Networks (Regulation) Act, 1995 (7 of 1995), as amended from time to time.
- (m) **"Encryption or encrypted"** in respect of a signal of cable television network, means the changing of such signal in a systematic way so that the signal would be unintelligible without use of an addressable system and the expression "unencrypted" shall be construed accordingly;
- (n) **"Free To Air channel"** shall have the same meaning as assigned to it in the Tariff Order.
- (o) **"Hardware"** means a multi-system operator approved set top box to enable the decryption of signals of Channels transmitted in encrypted form, the remote and other associated components and accessories.
- (p) **"Headend"** means a facility that contains satellite receivers, modulator, compression equipment, multiplexes, and conditional access facilities, other transmission equipments and has antennas which receive signals from Satellite and/or from local studio for retransmission to subscribers directly or through linked LCOs;
- (q) **"Interconnection Regulation"** means the Telecommunication (Broadcasting and Cable Services) Interconnection (Digital Addressable Cable Television Systems) Regulations, 2012 (9 of 2012), dated 30th April, 2012, as amended from time to time.
- (r) **"Manual of Practice (MoP)"** means the Manual of Practice referred in the QoS Regulation;
- (s) **"Nodal Officer"** means the officer appointed or designated by the multi-system operator or his linked local cable operator, as the case may be, under the Consumer Complaint Redressal Regulation;

- (t) **“Pay Channel”** shall have the same meaning as assigned to it in the Tariff Order;
- (u) **“Piracy”** means unauthorized reception, retransmission or redistribution of Cable TV Signal by any person by any means and modes including but not limited to any alteration, tampering of the seal or any component or accessory thereof or misuse, replacement, removal and/or shifting of Hardware or any use, either before or after the set top box, any decoding, receiving, recording equipment(s), counterfeit or unauthorized devices or any activity, which has the effect of, or which may result into, infringement and violation of trade mark and copyright of the MSO or the LCO as the case may be;
- (v) **“Programme”** means any television broadcast and includes;
- (i) exhibition of films, features, dramas, advertisements and serials;
- (ii) any audio or visual or audio-visual live performance or presentation and----
the expression "programming service" shall be construed accordingly;
- (w) **“QoS Regulation”** means the Standards of Quality of Service (Digital Addressable Cable TV Systems) Regulations, 2012 (12 of 2012), dated 14th May, 2012, as amended from time to time.
- (x) **“Set top box or 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;
- (y) **“Smart Card”** means the card duly approved by the multi-system operator as part of the Hardware, which enables the subscriber to gain access to the Cable TV signals of Channels.
- (z) **“Subscriber”** means a person who receives broadcasting services or cable services from a multi-system operator or cable operator at a place indicated by him to the multi-system operator or cable operator, as the case may be, without further transmitting it to any person and includes ordinary subscribers and commercial subscribers, unless specifically excluded;
“For removal of doubts, it is clarified that each set top box installed at the premises would constitute a subscriber.”
- (za) **“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 utilized 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;

(zb) **“Tariff Order”** means the Telecommunication (Broadcasting and Cable) Services (Fourth) (Addressable Systems) Tariff Order, 2010 (1 of 2010), dated 21st July 2010, as amended from time to time;

(zc) **“Trunk Line”** means the coaxial/optic fiber cable network and other allied equipment such as receiver nodes, amplifiers, splitters etc. owned and installed by the multi-system operator or its associate companies for the purpose of transmitting Cable TV Signal to various LCOs till the receiving end of various LCOs, including the LCO, to enable them to re-transmit the Cable TV Signal to respective subscribers;

All other words and expressions used in this interconnection agreement but not defined, and defined in the Act and rules and regulations made thereunder or the CTN Act and the rules and regulations made thereunder, shall have the meanings respectively assigned to them in those Acts or the rules or regulations, as the case may be.

B. INTERPRETATION

In this Agreement, unless the context otherwise requires:

(a) Any reference to the singular in the Agreement shall include a reference to the plural and vice versa and words importing one gender only shall include all other genders unless the context otherwise requires;

(b) The word “person” shall include individuals, corporations, partnerships, association of persons and any other entities;

(c) Any references to article, clauses, sub-clauses, appendices, annexure and schedules are references to Articles, clauses, sub-clauses, appendices, annexure and schedules to the Agreement unless the context otherwise expressly provides;

(d) References to a “month” are to a calendar month;

(e) Headings and titles are for ease of reference only and shall not affect the interpretation of this agreement and in no way be read to give a construction not harmonious with the interpretation of various clauses of this agreement done otherwise independent of the title.

(f) Any reference to law, regulation, statutory provision, order, guideline, policy, etc, includes references to such law or regulation or provision, order, guideline, policy, etc., as modified, codified, amended or re-enacted from time to time.

Schedule V

(Refer second proviso of sub-regulation (13) of regulation 5)

STANDRAD INTERCONNECTION AGREEMENT BETWEEN MULTI SYSTEM OPERATOR AND LOCAL CABLE OPERATOR FOR PROVISIONING OF CABLE TV SERVICES THROUGH DIGITAL ADDRESSABLE SYSTEMS (DAS).

[Each page of the Agreement shall be signed by the authorised signatory of the Multi System Operator and the Local Cable Operator]

This Technical and Commercial Interconnection Agreement along with its Schedules and Annexures is executed on this _____ day of _____ 201_ by and between:

_____, having its office at _____, through its Authorised Signatory, hereinafter referred to as the “**MSO**” which expression shall unless repugnant to the context or meaning thereof, be deemed to include its successors, assignees, legal heirs and executors of the **ONE PART**.

MSO’s Status: Individual/Firm/Company/Association of Persons/Body of Individuals *(strike out whichever is not applicable or modify suitably in case of Association of Persons or Body of Individuals)*

AND

_____, having its office at _____, through its Authorised Signatory, hereinafter referred to as the “**LCO**” which expression shall unless repugnant to the context or meaning thereof, be deemed to include its successors, assignees, legal heirs and executors, of the **OTHER PART**

LCO’s Status: Individual/Firm/Company/Association of Persons/Body of Individuals *(strike out whichever is not applicable or modify suitably in case of Association of Persons or Body of Individuals)*

The **MSO** and the **LCO** are hereinafter individually referred to as ‘Party’ and collectively referred to as “**Parties**”.

WHEREAS,

A. The MSO is a cable operator, who has been granted registration No. _____ dated _____ under the Cable Television Networks Rules, 1994, by the Ministry of Information and Broadcasting, for providing cable TV services through digital addressable systems in the areas of _____ notified by the Central Government under Section 4A of the Cable Television Networks (Regulation) Act, 1995.

B. The LCO is a cable operator, who has been granted registration under the Cable Television Networks Rules, 1994, having postal registration No. _____ dated _____, in the head post office _____, [Name of the head post office] for providing Cable TV Services in _____ [Mention the area].

C. The LCO has requested the MSO vide its letter No. _____ dated _____ for making available signals of TV channels and the MSO has agreed vide its letter No. _____ dated _____ to provide signals of TV channels to such LCO.

D. TERRITORY: Territory, in the context of this Agreement is _____
[mention the name of area(s)/ city(ies)/ district(s)/ state(s) for which this agreement is being signed.]

E. The Parties have mutually agreed to execute this Agreement - on principal to principal and non-exclusive basis - between them to govern the roles, responsibilities, rights, obligations, technical and commercial arrangement in regard to the distribution of TV channels in the Territory.

F. The Parties also mutually agree that each and every transaction including transaction of any properties/ assets between the Parties shall be carried out in writing or in any other verifiable means.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants contained herein, the Parties agree as follows: -

1. DEFINITIONS

The words and expressions used in this Agreement shall have meanings as assigned to them in the Schedule to this Agreement. All other words and expressions used in this Agreement, but not defined, and defined in the Act and rules and regulations made there under or the Cable Television Networks (Regulation) Act, 1995 (7 of 1995) shall have the meanings respectively assigned to them in those Acts or the rules or regulations, as the case may be.

2. TERM OF THE AGREEMENT

2.1 The Agreement shall commence on_____ [dd/mm/yyyy] and remain in force till_____ [dd/mm/yyyy] or the date of expiry of registration of the MSO or the LCO, as the case may be, whichever is earlier, unless terminated by either Party as per the terms and conditions of this Agreement.

2.2 The duration of the Agreement may be extended on terms and conditions to be mutually agreed between the Parties and recorded in writing provided that the extended term does not go beyond the last date of validity of registration of the MSO or the LCO, whichever is earlier.

3. TERMINATION OF THE AGREEMENT

3.1 Either Party has a right to terminate the Agreement by serving an advance notice of 21 days in writing to the other Party in the event of:-

- (iv) material breach of the Agreement by the other Party which has not been cured within 15 days of being required in writing to do so; or
- (v) the bankruptcy, insolvency or appointment of receiver over the assets of other Party; or
- (vi) the other Party indulging in, or allowing or inducing any person to indulge in piracy or carrying programming service provided on the channel which is in violation of the Programme & Advertising Codes prescribed in the Cable Television Network Rules, 1994, as amended from time to time.

3.2 The LCO has a right to terminate the Agreement in the event of the MSO discontinuing the business of retransmission of signals of TV channels in the Territory.

3.3 The MSO has a right to terminate the agreement in the event of the LCO discontinuing its cable TV business in the Territory.

3.4 If the MSO decides to discontinue the business of retransmission of signals of TV channels in the Territory for any reason, it shall give a notice in writing, specifying the reasons for such decision, to the LCO at least 90 days prior to such discontinuation.

3.5 If the LCO decides to discontinue its business of providing signals of TV channels to the subscriber in the territory, it shall give a notice in writing, specifying the reasons for such decision, to the MSO at least 90 days prior to such discontinuation.

4. EFFECT OF TERMINATION AND EXPIRY

4.1 In the event of termination or expiry of the term of the Agreement, as the case may be, at the instance of either Party, each Party shall pay all amounts due and payable up to the date of termination or expiry to the other Party.

4.2 The LCO shall, within 15 days of the termination or expiry of the term of this Agreement, as the case may be, in terms of the provisions mentioned herein, hand over to the MSO all properties and assets belonging to the MSO, which are in the custody of the LCO. The LCO shall also be liable to make good all the losses or damages, if any, caused to such properties and assets belonging to the MSO, in custody of the LCO, within 30 days from the receipt of notice to this effect from the MSO and in the event of inability of LCO to repair such properties/assets, the LCO shall pay to the MSO the depreciated value of such properties/ assets.

4.3 The MSO shall, within 15 days of the termination or expiry of the term of this Agreement, as the case may be, in terms of the provisions mentioned herein, hand over to the LCO all properties and assets belonging to the LCO, which are in the custody of the MSO. The MSO shall also be liable to make good all the losses or damages, if any, caused to such properties and assets belonging to the LCO, in custody of the MSO, within 30 days from the receipt of notice to this effect from the LCO and in the event of inability of MSO to repair

such properties/assets, the MSO shall pay to the LCO the depreciated value of such properties/ assets.

Explanation:- The clause 4.2 and 4.3 above shall not have any application in respect of Hardware or any other equipment belonging to the MSO or the LCO, as the case may be, which are installed at the premises of the subscribers.

4.4 If the LCO or the MSO, as the case may be, fails to hand over the assets or make good losses or damages caused to such properties and assets within the above stipulated period, the defaulting Party shall be liable to make payment for the depreciated value of the same together with simple interest calculated at the rate 2% over and above the base rate of interest of the State Bank of India.

5. PROVISIONING OF SERVICES

5.1 The MSO shall make available signals of TV channels to the LCO, on non-exclusive basis, in order to re-transmit the same to the subscribers in the Territory, in terms of this agreement and as per prevailing norms, policies, the applicable laws and rules, regulations, directions and orders of the concerned authorities.

5.2 The LCO shall carry signals of TV channels received from the MSO, on non-exclusive basis, for distribution to the subscribers in the Territory.

5.3 The Parties shall compulsorily transmit, re-transmit or otherwise carry any channel, content or programme only in encrypted mode through a digital addressable system strictly in terms of and in accordance with the applicable laws and regulations.

5.4 The roles and responsibilities of the Parties to the Agreement for provisioning of services are contained in **clause 10** of this Agreement.

5.5 In consideration of the roles and responsibilities mentioned in **clause 10** of the Agreement, the revenue settlement between the LCO and the MSO have been mentioned in the **clause 12** of the Agreement.

6. RIGHTS OF THE MSO

6.1 The MSO shall continue to have a right of ownership of its network used to deliver the cable TV services under this agreement and it may expand/ upgrade/ change/ replace/ re-design any part or entire network subject to the condition that any such activity does not interrupt or degrade the Quality of Service provided to the subscribers.

6.2 The MSO shall sign the interconnection agreement with broadcasters for re-transmission of signals of TV Channels as per prevailing norms, policies, the applicable laws and rules, regulations, directions and orders of the concerned authorities.

6.3 The MSO shall have the right to finalise the maximum retail price of each channel, as payable by the subscriber in compliance with the provisions of applicable laws and rules, regulations and tariff orders.

6.4 The MSO shall have the right to package the channels/ services offered on the network, as per its business plan and as per prevailing norms, policies, the applicable laws and rules, regulations and tariff orders.

6.5 The MSO shall have the right to finalise the rate of Basic Service Tier (BST) in compliance with the provisions of the applicable tariff orders and regulations notified by the Authority from time to time.

6.6 The MSO shall have the right to finalise the rates of bouquets of channels, if offered by the MSO, in compliance with the provisions of the applicable tariff orders and regulations notified by the Authority.

6.7 The MSO shall have the right to get all requisite information from the LCO for the purpose of fulfilling its responsibilities under the Agreement, and the applicable orders and regulations.

7. RIGHTS OF THE LCO

7.1 The LCO shall continue to have its right of ownership of its network used to deliver the cable TV services under this agreement and it can expand/ upgrade/ change/ replace/ re-

design any part or entire network subject to the condition that any such activity does not interrupt or degrade the Quality of Service offered to the subscriber on its network.

7.2 The LCO shall have right to get all the requisite information from the MSO for the purpose of fulfilling its responsibilities under the Agreement, and the applicable orders and regulations.

8. OBLIGATIONS OF THE MSO

8.1 MSO shall set up and operationalise the Head-end, Conditional Access System (CAS) and Subscriber Management System (SMS) for ensuring efficient and error-free services to the subscribers by recording and providing individualized preferences for channels, billing cycles or refunds.

8.2 The MSO shall make available to the LCO, the necessary and sufficient information relating to the details of channels, bouquets of channels, and services offered to the subscribers including their prices.

8.3 The MSO shall provide web based grievance redressal mechanism for addressing the complaints of LCOs in relation to the provision of services, roles and responsibilities, revenue settlements, quality of services etc.

8.4 The MSO shall not issue pre-activated STBs and the STBs shall be activated only after the details of the Customer Application Form (CAF) have been entered into the SMS.

8.5 The MSO shall generate bills for subscribers on regular basis, for charges due and payable for each month or as per the billing cycle applicable for that subscriber, within 3 days from the end of the billing cycle.

8.6 The MSO shall provide access to the relevant part of the SMS under its control to the LCO for the purpose of fulfilling responsibilities by the Parties under the Agreement, and the applicable orders and regulations.

8.7 The MSO shall not indulge in any piracy or other activities, which has the effect of, or which shall result into, infringement and violation of trade mark and copyrights of the LCO or person associated with such transmission.

8.8 The MSO shall comply with all the applicable statutes or laws for the time being in force, or any rules, codes, regulations, notifications, circulars, guidelines, orders, directions etc. issued, published or circulated under any law for the time being in force.

8.9 The MSO shall not do any act or thing as a result of which, any right or interest of the LCO in respect of cable TV signals under this Agreement or any property of the LCO may be infringed or prejudiced.

8.10 The MSO shall be responsible for encryption of the complete signal, up to the STB installed at the premises of the subscriber.

8.11 The MSO shall not disconnect the signals of TV Channels, without giving three weeks' advance notice to the LCO clearly specifying the reasons for the proposed disconnection as envisaged in the Interconnection Regulation.

8.12. The MSO shall make available online payment gateway, prepaid system for subscribers and facility for electronic acknowledgment to the subscriber on the receipt of payment from the subscriber.

8.13 The MSO shall provide to the LCO at least 2% of the total STBs active in the network of the LCO with an upper cap of 30 STBs as maintenance spare, which are not pre-activated, to ensure speedy restoration of services affected due to any fault in STB. This quantity of maintenance spare STBs shall be maintained during the term of the agreement.

8.14 The MSO shall intimate to the LCO, at least 15 days in advance, in respect of any proposed changes in the package composition or the retail tariff being offered to the subscriber.

8.15 The MSO shall have no right, without the prior written intimation to the LCO, to assign or transfer any of its rights or obligations under this Agreement.

9. OBLIGATIONS OF THE LCO

9.1 The LCO shall handover a copy of CAF received from subscribers within 15 days to the MSO;

9.2 The LCO shall be responsible for entering the details of the bill amount paid by the individual subscriber to the LCO for the Cable TV services in the SMS.

9.3 The LCO shall not indulge in any piracy or other activities, which has the effect of, or which shall result into, infringement and violation of trade mark and copyrights of the MSO, or any other person associated with such retransmission.

9.4 The LCO shall have no right, without the prior written intimation to the MSO, to assign or transfer any of its rights or obligations under this Agreement.

9.5 The LCO shall not replace the STBs of the MSO with the STBs of any other MSO without receiving the requests from the subscribers through application forms for returning the STB of the existing connections and for providing new connections through Customer Application Form. The new Set Top Box shall be activated only after entry of the details, as provided in new Customer Application Form, into the Subscriber Management System of the new MSO.

9.6 The LCO shall –

(i) not transmit or retransmit, interpolate or mix any signals which are not transmitted or generated by the MSO without the prior written consent of the MSO;

(ii) not insert any commercial or advertisement or information on any signal transmitted by the MSO. Any such tampering of signals or interpolating of signals shall be deemed to be a violation of this Agreement and shall constitute sufficient cause for termination of this Agreement by the MSO by giving such notice as prescribed under the law or under this agreement;

(iii) not interfere in any way with the signals provided by the MSO and also not use any decoding, receiving, recording equipment(s), counterfeit set top box or Smart card and any other like equipments;

(iv) not alter or tamper the Hardware including the seal (seal to prevent opening of set top box), misuse, replace, remove and shift the Smart card or STB without the written consent of MSO from their respective original addresses;

(v) not use, either before or after the installation of STB, of any decoding, receiving, recording equipment(s), counterfeit set top box(es), smart card(s) other than the STB(s), Smart cards and any other equipments supplied/ approved by the MSO, and to take actions as directed by the MSO against such subscribers.

(vi) intimate the MSO promptly about any alteration, tampering with the Hardware including the seal, misuse, replacement, removal and shifting of Smart cards and STBs, without the written consent of MSO, from their respective original addresses and also about the use, either before or after the STBs, of any decoding, receiving, recording equipment(s), counterfeit set top box(es) and smart card(s) other than the STB(s), Smart card(s) and any other items of Hardware supplied by the MSO, and to take actions as directed by the MSO against such subscribers.

9.7 The LCO shall not provide connection to any entity for further retransmission of the Cable TV signals.

9.8 The LCO shall not record and then retransmit Cable TV signals or otherwise to block or add or substitute or otherwise tamper with the signal being transmitted by the MSO or with the trunk line nor shall allow any other person to do so.

9.9 The LCO shall not do any act or thing as a result of which, any right or interest of the MSO in respect of the Cable TV signals under this Agreement or any property of the MSO may be infringed or prejudiced.

9.10 The LCO shall permit access to the systems under its control to the MSO, on non-exclusive basis, for the purpose of fulfilling responsibilities by the Parties under the Agreement, and the applicable orders and regulations.

9.11 The LCO shall not disconnect the signals of TV Channels, without giving three weeks' notice to the MSO clearly specifying the reasons for the proposed disconnection as envisaged in the Interconnection Regulation.

10. ROLES AND RESPONSIBILITIES OF THE MSO AND THE LCO:

Sl. No.	Role	Responsibility in the event of agreement signed under the proviso to the clause 5 of the Tariff Order.	Remarks
(1)	(2)	(3)	(4)
1	Publicizing schemes for obtaining and returning the Set Top Boxes (STBs) by the subscriber and the warranty/ repairing policy applicable thereof.	MSO	<ul style="list-style-type: none"> • The MSO shall finalize the schemes for provisioning/ returning STBs, warrantee/ repairing policy applicable thereof. However the MSO shall share such details with the LCO. • The MSO shall finalize the packaging and pricing of channels/ services and such details shall be shared with the LCO. • The MSO shall finalize the contents of MOP and consumer charter. Copies of such MoP and Consumer Charter documents shall be shared with the LCO.
2	Devising formats of application as specified in the schedule-I of the QoS regulations for seeking connection, disconnection, reconnection, transfer, and shifting of Cable TV services;		
3	Publication of Manual of Practice (MoP)		
4	Publication of Consumer Charter.		

5	Setting up of Website containing information pertaining to services, details of complaint centre, complaint redressal system, complaint monitoring system, citizen charter, nodal officer etc.	MSO	
6	<p>e. Establishment of Complaint centre for (iii)addressing service requests of subscribers, (iv)redressal of complaints of subscribers.</p> <p>f. Establishment of web based Complaint Monitoring system.</p> <p>g. Providing Toll free Consumer Care Number and its publicity.</p> <p>h. Maintenance of records of all complaints filed by the consumer as provided in the Complaint Redressal Regulations.</p>	MSO	The MSO shall communicate to the LCO the details of complaint centre for onward communication to subscribers.
7	Specification of a system of discount or rebate to the subscriber due to interruptions in service and creating awareness about such scheme.	MSO	The MSO shall communicate to the LCO, the details of such scheme for onward communication to subscribers.

8	<p>g. Providing information to the subscriber about the schemes for obtaining and returning the STB and the warranty/repairing policy applicable thereof.</p> <p>h. Providing of the application form along with the MOP to the applicants/ subscribers and</p> <p>i. Receiving of application form from applicants/ subscribers for</p> <p>(iii) connection, reconnection, transfer, and shifting of Cable TV services;</p> <p>(iv) obtaining and returning of STB.</p> <p>j. Returning of the duplicate copy of the application form to the applicant/ subscriber as an acknowledgment of receipt of application.</p> <p>k. Communication of shortcomings or deficiency, in the application form, in writing to the applicant, within 2 days of receipt of the application.</p> <p>l. Communication of technical or operational non-feasibility to the applicant, in case it is technically or operationally non-feasible to provide connection, reconnection, shifting of service or supply of STB at the location, where the services are requested by the applicant, within 2 days of receipt of the application.</p>	<p>LCO</p>	<p>The LCO shall update the information in the Subscriber Management System (SMS) in each case within 24 hours from the receipt of the application.</p>
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9	Issue of Unique Identification Number (UIN) for the applicant.	LCO	The UIN shall be generated from the SMS. The relevant access of the SMS should be provided by the MSO to the LCO.
10	Installation of STB at the premises of the subscriber and activation through SMS.	LCO	MSO should provide relevant access to SMS for STB activation.
11	Providing rebate to the subscriber for delay in installation and activation of STB.	MSO	In cases where the delay can be attributed to the LCO, for such cases the MSO may recover the rebate amount from the LCO.
12	Issuance of advance notice of 15 days regarding discontinuing or disconnection of cable service to the subscriber, indicating the reasons for such discontinuation or disconnection.	MSO	The MSO shall intimate the LCO in writing before issuing such advance notice to the subscriber.
13	Receipt of request from the subscriber for disconnection or suspension of service and its execution through SMS.	LCO	The LCO shall update the information in the SMS immediately.
14	Receipt of request for change in subscription package from the subscribers and its execution through SMS.	LCO	The LCO shall update the information in the SMS immediately.
15	Notice to the Subscribers regarding disruption of signals for preventive maintenance.	MSO	If the preventive maintenance is to be carried out by the LCO then he shall inform the MSO to enable him to give notice to the subscribers.

16	Response to the consumer complaints as per norms of the QoS regulations.	MSO	The complaints received by the Party shall be immediately updated in the web based complaint monitoring system so that the necessary corrective action can be taken by the Parties in time and the same can be monitored by the complainant.
17	Redressal of consumer complaints as per the norms of the QoS regulations:- (v) relating to 'No signal'; (vi) relating to STB; (vii) relating to subscriber's billing and receipts; (viii) any other complaint.	Overall responsibility of MSO, faults in the network of the LCO shall be rectified by the LCO.	The complaints redressed by the Party shall be immediately updated in the web based complaint monitoring system.
18	Designation of nodal officer as per the provisions of the consumer complaint redressal regulation.	MSO	
19	Communication to subscriber about redressal of the complaint received from the Authority.	MSO	
20	Printing and delivery of system generated itemized bills to subscribers.	MSO	In cases where the payment is collected by the LCO from the subscriber, then in such cases details of payment received by LCO shall be
21	Delivery of payment receipts to subscribers.	MSO	

22	Electronic acknowledgement to subscriber.	MSO	updated in the SMS immediately so that electronic acknowledgement to the subscriber is generated automatically.
23	Providing information relating to itemised usage showing actual usage of service in case of prepaid bills for any period within 6 months.	MSO	The requests received by the LCO shall be immediately updated in the SMS so that the MSO can provide the requisite details to the subscriber in time.
24	Payment of taxes to the Government.	MSO and/ or LCO	The specific details of tax payment responsibilities need to be filled in the adjoining cells at the time of signing of the agreement as per the rules and regulations of the respective Tax authorities.

11. BILLING

11.1 The billing for subscribers shall be in the name of the MSO. However, each party shall ensure that the applicable laws, rules and regulations relating to taxes are complied with.

11.2 The MSO shall receive the payment of the subscription fee paid by the subscribers. The revenue share as per clause 12.1 of this Agreement shall be paid by the MSO to the LCO on receipt of the invoice from the LCO.

12. REVENUE SETTLEMENT BETWEEN THE MSO AND THE LCO AND RELATED RIGHTS AND OBLIGATIONS

12.1 The revenue settlement between the MSO and the LCO shall be in the following manner:-

- (c) the charges collected from the subscription of channels of Basic Service Tier, free to air channel and bouquet of free to air channels shall be shared in the ratio of 55:45 between the MSO and the LCO respectively; and
- (d) the charges collected from the subscription of channels or bouquet of channels or channels and bouquet of channels other than those specified under clause (a) shall be shared in the ratio of 65:35 between the MSO and the LCO respectively.

12.2 The MSO shall share the complete information relating to the subscribers billing and receipt of the payments with the LCO. The LCO shall issue monthly invoice to the MSO towards dues payable by the MSO for revenue settlement and such invoice shall clearly specify the current payment dues and arrears, if any, along with the due date of payment which shall not be less than seven days. Any demand of arrears shall be accompanied by the proof of service of invoices for the period for which the arrears pertain. The amounts raised in the invoice shall be payable on or before the due dates as mentioned therein.

12.3 The Party shall update the details of the subscription amount realised from the subscriber, in the SMS within 7 days from the due date.

13. DEFAULTS

13.1 Without prejudice to such rights and remedies that the Parties may have in law or under the provisions of this Agreement, in the event of any delay or failure by the MSO or the LCO, as the case may be, to make payments of dues on or before the respective due dates, the LCO or the MSO, as the case may be, shall have the right:-

(i) to disconnect the services subject to the compliance of the applicable rules, regulations, directions or orders of the Authority;

(ii) to terminate this Agreement, subject to compliance of the applicable laws in force;

(iii) to charge a simple interest at the rate 2% over and above of the base rate of interest of the State Bank of India from the date such amounts became due until those are fully and finally paid;

13.2 In cases where any of the Parties has failed to make payment on or before due date for three consecutive months in the past, the other Party shall have right to demand the interest free security deposit which shall not exceed average of immediately preceding 6 months billing amounts and the same shall be maintained for the remaining term of the agreement.

13.3 Upon disconnection of the service as mentioned in clause 13.1 above, whether accompanied by termination of this Agreement or not, the defaulting Party shall be liable to deposit forthwith all sums payable by it. In the case of termination, accounts shall be settled within thirty days and for delayed payments, either Party shall be liable to pay simple interest at the rate 2% over and above of the base rate of interest of the State Bank of India.

14. UNDERTAKINGS

14.1 Each Party shall recognize the exclusive ownership of the property owned and installed by the other Party and shall not have or claim any right, title or interest or lien of whatsoever nature.

14.2 Nothing contained herein shall constitute either Party as the agent or partner or the representative of the other for any purpose and neither Party shall have the right or authority to assume, create or incur any liability or obligation of any kind, express or implied, in the name of or on behalf of the other Party and the relationship between the MSO and the LCO shall remain on “Principal to Principal” basis.

14.3 It is expressly understood by the Parties that “_____” logo(s) is a Registered Trade Mark of the MSO, and the LCO shall use the said logo only during the currency of this Agreement for the benefit of the cable television networking business of the MSO. Consent of the MSO is hereby given to the LCO to use the said logo, to the extent of or in connection with the business of the MSO.

14.4 It is expressly understood by the Parties that “_____” logo(s) is a Registered Trade Mark of the LCO, and the MSO shall use the said logo only during the currency of this Agreement for the benefit of the cable television networking business of the LCO. Consent of the LCO is hereby given to the MSO to use the said logo, to the extent of or in connection with the business of the LCO.

14.5 It is clearly understood and accepted by each Party that it shall have no right to use any intellectual property of the other on its Cable TV service or otherwise on or after the withdrawal by the other Party of its consent for such uses.

14.6 In case the LCO or the MSO, as the case may be, decides to transfer its interest in respect of its business of providing Cable TV Service to any other party / person (third party), in whole or in part, the LCO or the MSO, as the case may be, shall give prior notice to the MSO or the LCO. One Party shall not have any objection to such transfer if the other Party has complied with its obligations under this contract and has paid all its dues.

Provided, however, that such third party shall sign and execute a deed of adherence to the terms & conditions of this Agreement and other undertaking/ bonds to the satisfaction of the MSO or the LCO, as the case may be, in order to give effect to the provisions of this Agreement.

14.7 The LCO shall maintain and continue to maintain its Postal Registration Certificate renewed from time to time in accordance with the Cable TV Networks (Regulation) Act, 1995 and comply with the terms and conditions of the registration certificate issued by the Postal Authority.

14.8 The MSO shall maintain and continue to maintain its Registration Certificate renewed from time to time in accordance with the Cable TV Networks (Regulation) Act, 1995 and comply with the terms and conditions of the registration.

14.9 Both the Parties shall comply with the Programme Codes and Advertising Codes prescribed in the Cable Television Network Rules, 1994, as amended from time to time.

14.10 Both the Parties shall comply with the laws for the time being in force in India, as applicable to them.

15. PREVENTION OF PIRACY

15.1 The Parties shall not indulge or allow any person to indulge in Piracy or in reverse engineering any technology used in the Hardware or any component thereof nor shall they use the Hardware to be connected to any equipment for setting up a mini head-end for retransmission of the signals generated from the same.

15.2 Signal to any subscriber shall be disconnected by the MSO or the LCO, as the case may be, after giving due notice as required under applicable regulations, if found to be indulged in or abetting any Piracy.

16. DISCLAIMER AND INDEMNITY

16.1 In no event, the MSO shall be liable to the LCO for any indirect, special, incidental or consequential damage arising out of or in connection with the disruption, interruption or discontinuance of the Service or for any inconvenience, disappointment or due to deprivation of any programme or information or for any indirect or consequential loss or damage, which is not attributable to any act of the MSO.

16.2 In no event, the LCO shall be liable to the MSO for any indirect, special, incidental or consequential damage arising out of or in connection with the disruption, interruption or discontinuance of the Service or for any inconvenience, disappointment or due to deprivation of any programme or information or for any indirect or consequential loss or damage, which is not attributable to any act of the LCO.

16.3 LCO shall indemnify the MSO for all cost, expense and damages by reason of any claim, action or proceedings from any third party or from subscribers for any inconvenience, loss or annoyance caused to them due to any default of the LCO or due to termination of the Agreement or suspension of the Service due to LCO's breach.

16.4 MSO shall indemnify the LCO for all cost, expense and damages by reason of any claim, action or proceedings from any third party or from subscribers for any inconvenience, loss or annoyance caused to them due to any default of the MSO or due to termination of the Agreement or suspension of the Service due to MSO's breach.

17. GOVERNING LAW AND DISPUTE RESOLUTION

17.1 As mandated by the Telecom Regulatory Authority of India Act, 1997, the Parties shall not institute any suit or seek injunction or interim orders in any court or judicial tribunal/ authority in India with respect to any claims, dispute or differences between the Parties arising out of this Agreement save and except before the Telecom Disputes Settlement and Appellate Tribunal, New Delhi ("TDSAT"). The Parties agree that all disputes between the Parties shall be resolved solely through proceedings instituted before the TDSAT.

18. FORCE MAJEURE

18.1 Failure on the part of the MSO or the LCO to perform any of its obligations, shall not entitle either Party to raise any claim against the other or constitute a breach of this Agreement to the extent that such failure arises from an event of Force Majeure. If through Force Majeure the fulfilment by either Party of any obligation set forth in this Agreement is delayed, the period of such delay shall not be taken into account in computing periods prescribed by this Agreement. Force Majeure will include act of god, earthquake, tides, storm, flood, lightening, explosion, fire, sabotage, quarantine, epidemic, arson, civil

disturbance, terrorist attack, war like situation, or enactment of any law or rules and regulation made by the Authorities or revocation of registration of the Parties any circumstances beyond the reasonable control of the Parties herein that directly or indirectly hinders or prevents either of the Parties from commencing or proceeding with the consummation of the transactions contemplated hereby. The Party affected by such Force Majeure event shall promptly notify the other Party of the occurrence of such event. 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 conditions of Force Majeure to continue for a period exceeding one month, 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, on expiry of one month from the date of such notice.

18.2 Any accrued payment obligation of a Party prior to the commencement of Force Majeure shall survive the termination of this Agreement pursuant to such Force Majeure.

19. NOTICES

19.1 Any notice to be served on any Party by the other shall be deemed to have been validly sent if sent by Registered Post Acknowledgement Due (RPAD) or speed post service of Department of Post, Government of India or by hand delivery duly acknowledged 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 shall be the date of receipt by the other Party or 7 days from the date of dispatch of the notice by RPAD, whichever is earlier.

20. RESTRICTION ON TRANSFER

20.1 The either Party shall not remove, sell, assign, mortgage, transfer/sublet and encumber all or any part of the network which belongs to the other Party. If the Party indulges in any of the above-mentioned acts, the said acts shall be illegal and void ab-initio and the Party shall also be liable for any action under the applicable law.

21. CONFIDENTIALITY

21.1 The Parties shall keep in strict confidence, any information received by one from the other while participating in the affairs/business of each other and shall not disclose the same to any person not being a party to this Agreement.

21.2 The Parties shall also bind their employees, officers, advisors, associates, contractors, agents, authorized persons and other similar persons to whom the above mentioned information may be disclosed, to the obligations of confidentiality.

21.3 The Parties hereby agrees that the confidential information can be disclosed to the statutory authority on demand by such authorities.

22. MODIFICATIONS

22.1 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 whatever name, but executed in relation to this Agreement, shall be mutually agreed to in writing and executed by or on behalf of the Parties.

23. BINDING EFFECT

23.1 This Agreement modifies all prior understanding of the Parties as to the subject matter thereof and shall not be amended except in writing by both the Parties. Any other understanding between the Parties (if any) with regard to any other matter or any accrued rights and obligation of the Parties not covered under this agreement, if any, shall continue to be in full force and effect.

IN WITNESS WHEREOF the Parties have set and subscribed their respective hands to this Agreement on the date and year appearing hereinabove.

Signed on behalf of the MSO

(_____)

In the presence of

1.

2.

Signed on behalf of the LCO

(_____)

In the presence of

1.

2.

Note: The self attested copies of power of attorney/authorization letter, whereby the signatories of this agreement have been authorised to sign and execute this agreement by the Parties, shall be attached with this agreement.

DEFINITIONS AND INTERPRETATIONS

A. DEFINITIONS

In the Agreement unless the context requires otherwise, the following words and expressions shall have the meanings set out herein below:

- (a) **“Act”** means the Telecom Regulatory Authority of India Act, 1997 (24 of 1997), as amended from time to time;
- (b) **“Addressable System”** shall have the same meaning as assigned to it in the Cable Television Networks (Regulation) Act, 1995 (7 of 1995), as amended from time to time;
- (c) **“Authority”** means the Telecom Regulatory Authority of India established under subsection (1) of section 3 of the Telecom Regulatory Authority of India Act, 1997;
- (d) **“Basic Service Tier”** shall have the same meaning as assigned to it in the Tariff Order.
- (e) **“Bouquet” or “bouquet of channels”** means an assortment of distinct channels, offered together as a group or as a bundle;
- (f) **“Broadcaster”** means a person or a group of persons, or body corporate, or any organization or body who, after having obtained, in its name, uplinking permission or downlinking permission, as may be applicable for its channels, from the Central Government, provides programming services;
- (g) **“Cable service or cable TV service”** means the transmission by cables of programmes including retransmission by cables of any broadcast television signals;
- (h) **“Cable television network or cable TV 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) **“Channel or TV channel”** means a channel, which has been registered under -----
 - (i) the guidelines for uplinking from India, issued vide No.1501/2/2002-TV(I)(Pt.) dated the 2nd December, 2005; or
 - (ii) policy guidelines for downlinking of televisions channels, issued vide No.

13/2/2002-BP&L/BC-IV dated the 11th November, 2005, -----

as amended from time to time, or such other guidelines for uplinking or downlinking of television channels, as may be issued from time to time by Government of India (Ministry of Information and Broadcasting) and reference to the term 'channel' shall be construed as a reference to "channel or TV channel";

- (j) **“Complaint Centre”** means a facility established by the multi-system operator or his linked local cable operators, as the case may be, under Consumer Complaint Redressal Regulation;
- (k) **“Consumer Complaint Redressal Regulation”** means the Consumers Complaint Redressal (Digital Addressable Cable TV Systems) Regulations, 2012 (13 of 2012), dated 14th May 2012, as amended from time to time;
- (l) **“CTN Act”** means the Cable Television Networks (Regulation) Act, 1995 (7 of 1995), as amended from time to time.
- (m) **“Encryption or encrypted”** in respect of a signal of cable television network, means the changing of such signal in a systematic way so that the signal would be unintelligible without use of an addressable system and the expression "unencrypted" shall be construed accordingly;
- (n) **“Free To Air channel”** shall have the same meaning as assigned to it in the Tariff Order.
- (o) **“Hardware”** means a multi-system operator approved set top box to enable the decryption of signals of Channels transmitted in encrypted form, the remote and other associated components and accessories.
- (p) **“Headend”** means a facility that contains satellite receivers, modulator, compression equipment, multiplexes, and conditional access facilities, other transmission equipments and has antennas which receive signals from Satellite and/or from local studio for retransmission to subscribers directly or through linked LCOs;
- (q) **“Interconnection Regulation”** means the Telecommunication (Broadcasting and Cable Services) Interconnection (Digital Addressable Cable Television Systems) Regulations, 2012 (9 of 2012), dated 30th April, 2012, as amended from time to time.
- (r) **“Manual of Practice (MoP)”** means the Manual of Practice referred in the QoS Regulation;
- (s) **“Nodal Officer”** means the officer appointed or designated by the multi-system operator or his linked local cable operator, as the case may be, under the Consumer Complaint Redressal Regulation;

- (t) **“Pay Channel”** shall have the same meaning as assigned to it in the Tariff Order;
- (u) **“Piracy”** means unauthorized reception, retransmission or redistribution of Cable TV Signal by any person by any means and modes including but not limited to any alteration, tampering of the seal or any component or accessory thereof or misuse, replacement, removal and/or shifting of Hardware or any use, either before or after the set top box, any decoding, receiving, recording equipment(s), counterfeit or unauthorized devices or any activity, which has the effect of, or which may result into, infringement and violation of trade mark and copyright of the MSO or the LCO as the case may be;
- (v) **“Programme”** means any television broadcast and includes;
- (i) exhibition of films, features, dramas, advertisements and serials;
- (ii) any audio or visual or audio-visual live performance or presentation and----
the expression "programming service" shall be construed accordingly;
- (w) **“QoS Regulation”** means the Standards of Quality of Service (Digital Addressable Cable TV Systems) Regulations, 2012 (12 of 2012), dated 14th May, 2012, as amended from time to time.
- (x) **“Set top box or 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;
- (y) **“Smart Card”** means the card duly approved by the multi-system operator as part of the Hardware, which enables the subscriber to gain access to the Cable TV signals of Channels.
- (z) **“Subscriber”** means a person who receives broadcasting services or cable services from a multi-system operator or cable operator at a place indicated by him to the multi-system operator or cable operator, as the case may be, without further transmitting it to any person and includes ordinary subscribers and commercial subscribers, unless specifically excluded;
“For removal of doubts, it is clarified that each set top box installed at the premises would constitute a subscriber.”
- (za) **“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 utilized 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;

(zb) **“Tariff Order”** means the Telecommunication (Broadcasting and Cable) Services (Fourth) (Addressable Systems) Tariff Order, 2010 (1 of 2010), dated 21st July 2010, as amended from time to time;

(zc) **“Trunk Line”** means the coaxial/optic fiber cable network and other allied equipment such as receiver nodes, amplifiers, splitters etc. owned and installed by the multi-system operator or its associate companies for the purpose of transmitting Cable TV Signal to various LCOs till the receiving end of various LCOs, including the LCO, to enable them to re-transmit the Cable TV Signal to respective subscribers;

All other words and expressions used in this interconnection agreement but not defined, and defined in the Act and rules and regulations made thereunder or the CTN Act and the rules and regulations made thereunder, shall have the meanings respectively assigned to them in those Acts or the rules or regulations, as the case may be.

B. INTERPRETATION

In this Agreement, unless the context otherwise requires:

(a) Any reference to the singular in the Agreement shall include a reference to the plural and vice versa and words importing one gender only shall include all other genders unless the context otherwise requires;

(b) The word “person” shall include individuals, corporations, partnerships, association of persons and any other entities;

(c) Any references to article, clauses, sub-clauses, appendices, annexure and schedules are references to Articles, clauses, sub-clauses, appendices, annexure and schedules to the Agreement unless the context otherwise expressly provides;

(d) References to a “month” are to a calendar month;

(e) Headings and titles are for ease of reference only and shall not affect the interpretation of this agreement and in no way be read to give a construction not harmonious with the interpretation of various clauses of this agreement done otherwise independent of the title.

(f) Any reference to law, regulation, statutory provision, order, guideline, policy, etc, includes references to such law or regulation or provision, order, guideline, policy, etc., as modified, codified, amended or re-enacted from time to time.”

(S. K. Gupta)
Pr. Advisor (B&CS)

Note.1-----The principal regulations were published in the Gazette of India, Extraordinary, Part III, Section 4, vide its notification No. 3- 24/2012- B&CS dated the 30th April 2012 and subsequently amended vide notifications No. 3- 24/2012- B&CS dated the 14th May 2012, No. 3-24/2012-B&CS dated the 20th September 2013, No. 3-24/2012- B&CS dated the 10th February, 2014, No. 6-33/2014-B&CS dated the 18th July, 2014, 6-29/2015-B&CS dated: 14th September 2015 and. No. 3-106/2015-B&CS dated 7th January 2016.

Note.2-----The Explanatory Memorandum explains the objects and reasons of the Telecommunication (Broadcasting and Cable Services) Interconnection (Digital Addressable Cable Television Systems) (Seventh Amendment) Regulations, 2016 (____ of 2016).

Explanatory Memorandum

1. The Telecom Regulatory Authority of India (TRAI) has notified a comprehensive regulatory framework for Digital Addressable Cable TV Systems (DAS) encompassing the interconnection regulations, the quality of service regulations, the tariff orders and the consumer complaint redressal regulations. The Interconnection Regulation applicable for DAS, namely the Telecommunication (Broadcasting and Cable Services) Interconnection (Digital Addressable Cable Television Systems) Regulations, 2012, dated 30th April 2012, as amended from time to time [herein after referred to as ‘the Interconnection Regulations 2012’], inter alia, provides a framework for interconnection between Multi System Operators (MSOs) and Local Cable Operators (LCOs). Based on this framework, the MSOs and LCOs (collectively herein after referred to as ‘the Parties’) are required to enter into written interconnection agreement before providing cable services to subscribers.
2. In terms of the Interconnection Regulations 2012, the Parties, through mutual agreement, are required to decide upon the responsibility for each role as envisaged in the quality of service regulations namely the Standards of Quality of Service (Broadcasting and Cable Services) Regulations 2012, dated 14th May 2012, as amended from time to time [herein after referred to as ‘the QoS Regulations 2012’]. The tariff order applicable for addressable systems namely the Telecommunication (Broadcasting and Cable Services) (Fourth) (Addressable Systems) Tariff Order, 2010 (1 of 2010), dated 21st July 2010, as amended from time to time [herein after referred to as ‘the Tariff Order’], provides that the revenue settlement between the MSO and the LCO shall be determined by mutual agreement between the Parties. In case, the Parties fail to arrive at a mutual agreement the charges collected from the subscribers shall be shared in a manner prescribed in the Tariff Order.
3. As there could be various ways in which the responsibility for each role are divided between the MSOs and the LCOs, the Authority while notifying the comprehensive regulatory framework for DAS, in the year 2012, detailing each and every aspects of interconnection, did not prescribe any specific terms and conditions for interconnection agreement and left it open to market conditions. It was then envisaged that this will provide enough flexibility to the Parties for smooth transitioning from non-addressable systems to digital addressable systems.

4. TRAI received a large number of complaints regarding various issues in signing of the interconnection agreement between the Parties. On one end, the LCOs represented that the terms and conditions of draft agreements offered by MSOs are one sided and do not provide a level playing field. On the other end, the MSOs indicated that the LCOs are not willing to follow the terms and conditions of interconnection agreement already executed between the Parties. Often the roles and responsibilities of the Parties, for meeting the quality of service norms as prescribed in the QoS Regulations 2012, are not clearly defined in the interconnection agreement signed by the Parties and due to which, in the event of dispute between the Parties, the quality of service delivered to the consumers is adversely affected.
5. To get an insight into the various issues relating to signing of the interconnection agreement between the Parties and implementation of DAS, TRAI held interactions with the Parties in various parts of the country. The Parties, in general, were of the opinion that it would be in the best interest of the sector if TRAI prescribes the terms and conditions of an interconnection agreement which can be entered into by the Parties. This would help in reducing disputes between the Parties and consequently help in improving the quality of service delivered to consumers.
6. After considering representations from the stakeholders, the Authority decided to intervene. The Authority contemplated to prescribe the terms and conditions for interconnection agreement in such a way that it addresses the various concerns of the Parties as well as it provide enough flexibility for accommodating various plausible business models between the Parties. Moreover, the Cable Television Network Rules, 1994, as amended from time to time, provides that the Authority may notify a standard interconnection agreement to be used for entering into commercial agreements for distribution in the notified areas, of pay or free-to-air channels among MSOs and LCOs.
7. To prescribe such interconnection agreement, the Authority formulated a draft Model and Standard Interconnection Agreements (MSIA). The draft MSIA consisted of a draft Model Interconnection Agreement (MIA) and a draft Standard Interconnection agreement (SIA) in a single document. The draft MSIA contained necessary terms and conditions, in line with the existing regulatory framework, inter alia, defining rights, obligations, roles and responsibilities of the Parties with an aim to provide a level playing field to them. It was envisaged in the draft MSIA that in cases where the Parties can mutually agree upon

the responsibility corresponding to each role and the revenue settlement, MIA part of the MSIA would be applicable. In cases where the Parties are not able to arrive at a mutual agreement on sharing of the responsibilities or the revenue, SIA part of MSIA would be applicable wherein the Authority had prescribed the responsibility of the Parties corresponding to each role listed in the draft MSIA. In such cases the revenue settlement would be based on the ratios prescribed in the Tariff Order.

8. The Authority, accordingly, decided to initiate a consultation process with the stakeholders before prescription of the MIA or the SIA between the Parties, as the case may be, offering cable services through DAS. The draft MSIA along with a consultation note was uploaded on TRAI website www.traai.gov.in on 9th December 2015, inviting comments and counter comments from stakeholders.
9. The last date for submission of comments & counter-comments was 31st December 2015 and 7th January 2016, respectively. In response, a total of 18 comments & 3 counter-comments were received from stakeholders, including some from individuals. Subsequently, an Open House Discussion (OHD) was held on 28th January 2016 in Delhi, which was attended by a large number of stakeholders. Post OHD, the stakeholders were given a further opportunity to provide their views/ comments in writing on the issue by 01st February 2016. Three additional comments were received by the due date. The comments and counter comments were uploaded on TRAI website www.traai.gov.in.
10. The following paragraphs provide gist of the comments/ views of the stakeholders received on the issue, analysis of these comments and objects & reasons of this amendment to the Interconnection Regulations 2012. Some of the comments received from the stakeholders do not relate directly to the issue under consultation but are in the nature of suggestions for amendments in the present regulatory framework. These suggestions may be considered for consultation by the Authority separately at appropriate time.

Analysis of the comments of stakeholders

Nomenclature of the Parties (MSOs and LCOs) and territory of operation

11. Some cable operator associations opined that MSOs may be referred to as Head-end Service Provider (HSP) in the agreement as MSO is only a mediator or a wholesaler of 'pay' TV broadcasters and aggregator of FTA channels. Similarly, they stated that the

LCOs should be referred as Last Mile Owners (LMO) as it builds, operates, maintains and upgrades the networks connecting all consumers. An individual was of the view that in the Cable TV Act there is no term like the LCO or the LMO and it is the 'cable operator' who is responsible for management and operation of cable TV network. He suggested that Head-end Service Provider (HSP) is the better term for the MSO. If MSO provides cable service directly to the subscribers only then it should be treated as cable operator otherwise it should be treated as HSP.

12. On the aspect of the territory of the operation of the LCO, one cable operators association suggested that the map of the area of operation should be attached with the agreement.

13. The Cable TV Networks (Regulation) Act 1995 and the Cable TV Rules made there under defines the MSO which reads as under:-

“Multi System Operator” means a cable operator who has been granted registration under rule 11C and who receives a programming service from a broadcaster or its authorised agencies and re-transmits the same or transmits his own programming service for simultaneous reception either by multiple subscribers directly or through one or more local cable operators and includes his authorised distribution agencies, by whatever name called.”

14. Similarly, as per the Cable TV Networks (Regulation) Act 1995 and the Cable TV Rules made there under, the LCO is registered in the head post office of the areas of its operations for providing cable services. Since the MSO and the LCO terminologies are used in the Cable TV Networks (Regulation) Act 1995, the Authority is of the view that the names of these entities need not be changed. On the aspect of mandating the map of the territory, the Authority observed that names of the territory are already part of the MIA and SIA. Further in DAS, the subscriber's details along with names and addresses are transparently reflected in the Subscriber Management System (SMS) and the same is sufficient to resolve the territory related disputes, if any. Therefore attachment of the map with the interconnection agreement may not serve any useful purpose except to increase the cost to the Parties. However, the map of the area can be attached with mutual consent with the model interconnection agreement.

Term of agreement

15. On the aspect of term of agreement, a distribution agent of broadcasters commented that the duration of the agreement may be extended, provided that the extended term does not go beyond the date of expiry of registration of the MSO or the LCO.
16. The Authority accepted the suggestion and accordingly the relevant clause in the MIA and the SIA has been suitably modified.

Termination of the agreement

17. On the aspect of termination of the agreement, most of the MSOs and their association proposed that the curing period of 30 days should include 21 days notice period for termination. Another MSO suggested that 21 days notice should be sufficient in case of material breach. As per them, for continued breach the default should not be allowed to continue after 30 days and therefore additional 21 days notice is not required. Whereas a broadcaster's association commented that the notice period for curing the breach may be reduced from 30 days to 14 days. An individual suggested that the time to cure material breaches/ deficiencies should be reduced to 15 days. Whereas a cable operator association commented that the time provided in the draft MSIA is appropriate.
18. On the aspect of termination of the agreement, in the event of MSO discontinuing the business, a cable operator association commented that period of disconnection and reason thereof should be given and discontinuation should effect after prior notice of at least 30 days. Another association expressed that in cases where only one MSO is having operations in a particular area and it plans to discontinue or wants to sell/ merge with another Party, a simple notice of 90 days may not be adequate for LCO to install his own head-end or wait for another MSO to get connected.
19. The Authority noted that the curing period of 30 days and notice period of 21 days may result in breach continuing for 51 days and which may give undue advantage to the defaulting Party. Therefore the Authority is of the view that the curing period should be reduced to 15 days and in case of continued breach the notice period of 21 days should start thereafter. Accordingly, the relevant clause has been modified.
20. On the aspect of disconnection due to a Party exiting the business, the Authority is of the view that the time of 90 days is sufficient for the purpose and notice in writing specifying

the reasons for such decision shall be given to the other Party. Accordingly, the relevant clause has been modified.

Effect of Termination and Expiry.

21. In the draft agreements for consultation, comments of stakeholders were drawn on the possible clauses for mitigating the situation in the event of termination or expiry of the agreement. Some LCO associations commented that the list of hardware or any other property/asset including STBs belonging to MSO and installed in the network of the LCO for delivery of services should be attached with the agreement and MSO should be responsible for daily upkeep and maintenance of equipment meant to provide services to the LCO. LCO will compensate only such damage that has been caused due to his negligence/ willful damage and not otherwise. Another LCO association commented that definition of properties and assets should be defined irrespective of MSO and LCO.
22. Most of the MSOs suggested that in cases where the STB provided to the customer is the property of MSO then the STB should be returned back to the MSO by the LCO. An LCO association opined that handing over the properties shall be subject to the scheme chosen by the subscriber in terms of TRAI Regulations.
23. On the aspects of levy of interest in case of default in handing over the asset or make good losses or damages, an MSO suggested the interest @ 4% plus base rate of State Bank of India (SBI) should be applied. Whereas an individual counter-commented that since the base rate of SBI is already very high at around 9% per annum, the rate should be fixed at SBI's base rate only. Whereas another cable operator association opined that the financial amount should be decided mutually in writing by both the Parties.
24. On the aspect of enclosing the list of properties/assets belonging to a Party in the network of the other Party, the Authority observed that the Parties may require to install properties/ assets in the network of the other Party, not only at the time of interconnection but during the currency of interconnection agreement. Therefore the Authority is of the view that any transaction of properties/ assets between the Parties shall be carried out in writing or any other verifiable means indicating the cost of such properties/ assets. This would help the Parties to settle their dues in the event of termination of the agreement. Accordingly the suitable clause provision has been added in the MIA and the SIA.

25. The Authority observed that, the provisioning of Set Top Box at the premises of the subscriber is governed by the conditions prescribed in the Customer Application Form (CAF) for the option chosen by the subscriber. Further, based on the option chosen by the subscriber, if the STB belongs to the MSO, then LCO cannot be made responsible for returning the same in the event of discontinuation of cable services by the subscriber and subscriber has not returned the STB to the LCO. Therefore, the Set Top Box cannot be included in the list of hardware which is required to be handed over due to effect of termination/ expiry of the interconnection agreement.
26. The amount of interest levied on defaulting Party should work as effective deterrent to avoid further defaults. Keeping in view the market practices and comments-counter comments of the stakeholders, the Authority is of the view that rate of interest on default in payment should be retained as 2% plus the base rate of State Bank of India (SBI).

Provisioning of Services

27. The conditions of provision of service are an important part of the agreement wherein the Parties broadly specifies the principles such as non-exclusivity, applicable laws under which the service is provide. Some associations commented that the MSO should grant non-exclusive right to the LCO to retransmit the signals of TV channels on the basis of the representation, warranties and undertakings given by the LCO, and shall be subject to LCO complying with all the terms and conditions as set out in the Agreement, and LCO accepts such grant of rights and agrees and acknowledges them.
28. A cable operator association opined that minimum technical quality of service parameters should be specified/ mentioned clearly in the Agreement. Financial disincentives, penalties etc against faults, delays etc. should also be clearly specified.
29. One of the fundamental principles of the interconnection regulations is non exclusivity and therefore, the Authority is of the view that the interconnection agreement shall be entered into by the Parties on non-exclusive basis. Accordingly, the relevant clause has been suitably modified. As far as the specification of minimum quality of service in terms of technical parameters is concerned, the QoS Regulations 2012 already cover the aspect of technical parameters and both the Parties are required to adhere to the norms prescribed in the QoS Regulations 2012 or as modified from time to time. Therefore the Authority has decided not to include QoS parameters in the MIA or the SIA.

Rights of the MSO

30. An LCO Association opined that all package/ channel rates, discount schemes, STB hiring schemes for subscribers & all business plans are made by the MSO. It was suggested that wherever LCO network is being used, it should be decided by the MSO in consultation with the LCOs. LCO's area of operation and choice of consumers of that area is very important in making business plans.
31. In DAS, it is the MSO who receives a programming service from broadcasters and perform technical functions of a head-end (turn-around, encoding, encryption, multiplexing, modulation, combining and subscriber management) and therefore, the responsibility of packaging and pricing of channels/ services remains with the MSOs. It is not practically feasible to formulate the composition of services as per the individual requirement of each LCO. Therefore the Authority is of the view that the right of packaging and pricing of the service offerings shall remain with the MSOs.

Rights of the LCO

32. Some associations stated that the right of ownership to LCOs should be clearly defined with respect to their own network only. A cable operator association suggested that it should be specified that the network which comprises of fiber, coaxial and distribution devices including the customers belongs to LCO and MSO distribution network is limited up to LCO point only. Whereas, another LCO association commented that the network from the MSO to the end users should be defined as the network of LCO.
33. The cable TV distribution network generally comprises of optical fiber network and last mile co-axial cable network. The Authority is of the view that the ownership of the individual Party is limited to the portion which the individual Party owns. If the MSO has laid the network till the LCO end then it belongs to the MSO and the responsibility of maintenance and upkeep remains with the MSO. Similarly, if the LCO owns last mile connectivity then the maintenance and upkeep of the same remains with the LCO. No Party can claim an ownership over the other Party network which it does not own. Accordingly suitable clause has been included in the MIA and the SIA.

Obligations of the MSO

34. On the aspect of providing web-based LCO grievance redressal system, one MSO suggested that, MSOs should be required to provide web based grievance redressal facility only to the consumers, and not to LCOs, as MSOs are already entertaining the complaints of the LCOs through emails and other mode of communication. An LCO commented that provision for redressal of grievances of LCOs should be present along with a provision of designating local statutory authority for grievance redressal.
35. On aspect of bill generation, an LCO association suggested that the MSOs shall generate bills within 10 days from the end of the billing cycle and deliver to LCO in printed format and not on CD Drive, Pen Drive or any other format. Another LCO association commented that billing should be done through LCO/LMO whether online or offline, as LCO/LMO gives service to the consumers and collects the subscription amount. MSO's Association were of the view that the period of 3 days for bill generation from the end of the billing cycle is less and needs to be extended to 7 days as the details from LCOs take time to be entered into the SMS.
36. An LCO stated that there should be a provision in the MIA and SIA to allow LCOs some small percent (2% of total STBs) of demo type active Set Top Box without monthly charges.
37. An LCO association commented that package upgrading & downgrading facility should be operated by LCO.
38. A HITS operator suggested that pre-activated STB's along with only FTA channels should be allowed for 7 days. If, during this period, all mandatory details are not entered, then STB should be deactivated.
39. On the aspect of setting up of web based grievance redressal system, the Authority noted that depending upon sharing of the roles and responsibilities between the Parties, the Parties may need to communicate frequently to fulfill the obligations and address the concerns of each other as per the agreement. Web based grievance redressal system is one of the most efficient and cost effective way of managing such requirements. It encourages healthy and transparent practices. The trail of issues and their solutions recorded in the system can also be used to resolve the disputes between the Parties. Accordingly, for

effective implementation of the provisions of this agreement, web-based grievance redressal system is necessary for LCOs also.

40. The QoS Regulations 2012 puts an obligation on the MSO that the bills for the services availed by the subscriber must be generated from the SMS automatically at the end of billing cycle. Therefore, the obligation of bill generation cannot be assigned to the LCO. On the aspect of the time period for generation bill from the end of the billing cycle, the Authority is of the view that the period of 3 days is sufficient as the bills are automatically generated in the SMS. This would also give sufficient time for delivery of bills to the subscribers which would increase the time period between the receiving of the bills by the subscriber and the due date for payment. Accordingly relevant clause has been provided in the MIA and the SIA.
41. On the aspect of provisioning of spare STBs in possession of LCOs for undertaking speedy repair/maintenance of STBs in the event of fault in STBs, the Authority noted that the QoS Regulation 2012 mandates the service providers to replace/repair the STBs within 24 hours. The provisioning of few STBs as a spare which can be used in place faulty STBs, installed at premises of subscribers, would help in the speedy restoration of services. This would also help in compliance of the QoS Regulations 2012. Accordingly, the MIA and the SIA puts an obligation on the part of MSO to provide to the LCO, at least 2% of the total STBs active in the network of LCO with an upper cap of 30 STBs as maintenance spare, which are not pre-activated, to ensure speedy restoration of service affected due to any fault in STBs. Accordingly suitable clause has been added in the MIA and the SIA.
42. The MSO has a right to decide the composition and pricing of channels/ package subject to the applicable Regulations/ Tariff orders. However to ensure transparency in the business among the Parties, the Authority has included a clause in the MIA and SIA where MSO has been asked to intimate to the LCO at least 15 days in advance in respect of any proposed changes in the package composition or the retail tariff being offered to the subscriber. As far as the responsibility of communicating this to the subscriber is concerned, that still lies with the MSO only as per the relevant regulations.
43. To accrue the full benefit of DAS, it is important that the relevant details of the customer and its choice of channels/ services are entered into the SMS so that the subscriber gets error free services. Therefore, it is essential that the STB of the subscriber is activated

only after the details are entered into the SMS and therefore the stakeholders request regarding pre-activated STBs cannot be acceded to.

Obligations of the LCO

44. MSO associations commented that the LCO should not be allowed to migrate to any other distributor of signals without following proper process. They further stated that additional clause should be added that the LCO should not replace the STBs of MSO with STBs of any other service provider without following the process of law.
45. On the aspect of customer application form handling, an individual suggested that instead of handing over a copy of customer application form, the original customer application form should be given to the MSO. An MSO opined that, if authorized by MSO, LCO shall keep customer application form in his custody, provide its stamped copy to the subscriber and shall produce the copies/ information of customer application form and other documents if demanded by MSO/any other Statutory Authority.
46. On the aspect to assign or transfer rights and obligation in respect of agreement, an LCO association opined that the LCO is an independent business entity offering its network to the MSO to pass through its services to the consumers. Its liability to the MSO is limited to only the services provided jointly. The LCO does not require any permission to do its business.
47. On the aspect of migration of an LCO from one MSO to the other MSO, the Authority noted that the regulatory framework provides that the LCO can seek interconnection with one or more MSOs and the interconnection between them is on non-exclusive basis. However, LCO exiting the interconnection from the MSO must provide proper notice for disconnection and reasons thereof in the terms of the Interconnection Regulations 2012 or as applicable from time to time. Any LCO can migrate to the other MSOs provided that it follows the provision laid down in the Interconnection Regulations. In view of the above, the Authority is of the view that there is no need for introducing specific clause in this regard.
48. On the aspect of replacing one MSO's STB with the other's STBs, The Authority noted that the regulatory framework mandates that the service used by a subscriber cannot be changed without written request from the subscriber. However the Party receiving the request of disconnection from the subscriber shall update the information in the SMS

within 24 hours. Therefore, the Authority is of the view that the LCO shall not replace the STBs of one MSO with the STBs of any other MSO without receiving the request from subscriber through disconnection application form. Accordingly, suitable clause has been added in the MIA and SIA.

49. The regulatory framework for DAS provides that a customer may submit an application for connection or shifting of connection in the specified format, in duplicate, duly signed and complete in all respect, to the MSO or its linked LCO who shall return the duplicate copy of the application to the applicant as an acknowledgment of receipt of application. However, the Parties can mutually decide about the storage of original filled application form. Accordingly, the clause may be added by mutual agreement in the MIA. However the copy of customer application form shall be sent to the MSO within 15 days of receipt from subscriber, the provision for which has already been provided in the MIA and the SIA.

50. On the aspect of transfer of rights and obligation in respect of agreement, the Authority recognizes both the Parties as independent business entities and each Party's right of freedom of business. Therefore, the Authority is of the view that the Parties are free to assign or transfer any of its rights or obligation, however while doing so the Party shall give prior intimation to the other Party about the same so that the other Party can take necessary action for protection of its interests. Accordingly, relevant clause has been suitably modified in the MIA and the SIA.

Roles and Responsibility

51. In the draft agreements for consultation, comments of stakeholders were sought on various aspects of roles and responsibilities between the MSO and the LCO. On the aspect of devising format for application and publication of MOP, a cable operators association suggested that the liberty to devise the application forms, MOP should be provided to both MSOs & LCOs. On the aspect of complaint monitoring systems, some MSO associations opined that the responsibility of establishment of complaint monitoring system shall also be of LCO along with MSO as the LCOs directly deal with the subscribers and are aware of the technical issues at their network. On the specification of system of discounts due to interruption, an MSO association commented that the responsibility to specify such scheme should be left upon on both MSO & LCO in accordance with the QoS regulations, instead of only an MSO.

52. On issue of Unique Identification Number (UIN), an MSO association & an MSO opined that this should be the responsibility of the MSO as the SMS belongs to the MSO. However LCO shall provide the same to consumer. An individual suggested that LCO cannot perform this role as UIN is generated in the application server whose access is restricted.
53. A cable operator association commented that the MSO's responsibility on STB sale / hire plans, service supports / stand by inventory / Service Level Agreement/ Annual Maintenance Contract should also be specified. An individual commented that STB procurement is the sole responsibility of the MSO and STBs should be supplied to the consumers via LCOs, giving proper documents i.e. invoice warranty or hire purchase agreement etc. LCO should not be held responsible by MSO if a subscriber's STB does not function properly or becomes faulty requiring replacement/repair.
54. On advance notice of 15 days regarding discontinuing or disconnection of cable services to the subscriber, an LCO association commented that this responsibility of providing notice of 15 days regarding discontinuing or disconnection of cable service to the subscriber should be of MSO. On receipt of request from subscribers for disconnection of service, an individual commented that cable Operator cannot do it since they do not have access to Application Server.
55. The Authority noted that the regulatory framework applicable for DAS provides enough flexibility and ample freedom to the Parties to carry out their business. Simultaneously the Authority observed that, in the relationship between the MSO and the LCO, the LCO generally interacts with the subscribers for providing service to the subscribers whereas the MSOs carryout functions which are dependent on the SMS and other associated systems. To provide the flexibility to the Parties and at the same time to ensure that the quality of service to the consumer is not compromised, the Authority is of the view that that the Parties may enter into an interconnection agreement for provision of cable service to the subscribers by mutually agreeing on the clauses of responsibilities listed under the clause 10 of the MIA. The Parties, without altering or deleting any clause of MIA, may add through mutual agreement additional clause to the MIA for stipulating any additional conditions provided that no such conditions shall have the effect of diluting or nullifying any of the conditions as laid down in the MIA. However, the Authority has demarcated the responsibilities of each role in the SIA. In the SIA, LCOs have been given the

consumer centric responsibilities whereas the MSOs have been given the responsibilities which are directly linked with the SMS including billing for the subscribers.

56. On the aspect of devising format of the application form, the Authority observed that the Head end along with the Conditional Access System (CAS) and SMS are installed and maintained by the MSOs and also it is the MSO which enters into an interconnection agreement for retransmission of TV channels of the broadcasters and therefore the pricing of channels/packages and deciding the composition of packages remain with the MSOs. The MSOs and the LCOs are free to devise formats of application for subscribers for connection, disconnection, reconnection, transfer and shifting of cable TV connection and for obtaining and returning of STBs. However, while devising such formats the information relating to the pricing channels/packages, as decided by the MSO, are to be included in Customer Application Form (CAF). In terms of MIA, the Parties can share the responsibility of publicizing schemes for obtaining and returning of STB, warranty/repairing policy, connection, disconnection, transfer and shifting of cable TV services through mutual negotiation. In terms of SIA, the responsibility has been given to the MSO. However, it has been provided that the MSO shall supply copies of such published schemes to the LCOs for their information. Accordingly, relevant provisions have been suitably modified in the MIA and SIA.
57. On the aspect of establishment of web based complaint monitoring system, the Authority observed that in terms of the QOS Regulations 2012, overall responsibility of QoS norms lies with the MSO. In terms of the QoS Regulation 2012, this responsibility can be shared by the Parties in the interconnection agreements. Accordingly, the Authority is of the view that the Parties can share the responsibility of setting up of complaint monitoring system in terms of MIA. However in the SIA, this responsibility has been given to the MSO.
58. On the aspect of specifying discount or rebate to the subscribers due to interruptions in service, the Authority observed that since the responsibility of generation of bills for the subscribers lies with the MSO and hence the MSO shall communicate to the LCO the details of such schemes for communication to the subscribers. In SIA this responsibility has been assigned to MSO. However the Parties can share this responsibility in the terms of MIA.

59. On the aspect of providing UIN to the applicant, the Authority observed that the UIN can be generated automatically from the SMS. In the cases where the responsibility of issuing UIN has been given to LCO, the MSO should ensure that the relevant access to the SMS is provided to the LCO for carrying out its responsibility under the agreement. Where the responsibility rests with MSO, the MSO shall provide the reading access to the LCO. Accordingly, the relevant clauses have been suitably modified.
60. On the aspect of issuing of advance notice of 15 days regarding discontinuing or disconnection of cable services to the subscriber, the Authority observed that in DAS, it the MSO who can provide the information to the subscribers through scrolls about the disconnection of cable TV services due to some reason or the other. The Authority is of the view that the MSO shall intimate the LCO in writing before issuing such advance notices to the subscribers. On the aspect of notice to the subscribers regarding disruption of signals for preventive maintenance by the Parties, the Authority is of the view that if the preventive maintenance is to be carried out by the LCO then the LCO shall inform the MSO to enable it to give notice to the subscribers. This will ensure better quality of service to the subscribers. Accordingly, suitable modification has been incorporated in the MIA and the SIA.

Billing

61. A cable operator association commented that the MSO should generate bills in joint name with respective LCO (reading as XXX Network powered by YYY MSO). The MSO shall raise invoice on LCO on the basis of interconnection agreement terms along with corresponding customer base consumption details every month. Another cable operator association opined that the consolidated subscriber ID wise Billing should be given by the MSO to LCO for making individual bills and no prepaid payments should be permitted. An MSO association & some MSOs commented that the LCO should issue the bills and receive subscription payments. A HITS operator stated that transfer pricing (where MSO will raise the invoice to subscriber and handover it to the LCO and MSO will also raise invoice/statement of account to LCO towards his share in the total amount so that LCO will pay MSO on actual basis) should be implemented. A broadcaster has commented that the MSOs should communicate the billing for the period to subscribers and also set up terminals either with themselves or with LCOs for enabling recharge by subscribers or the LCOs as this will facilitate prompt collection and also encourage prepaid billing.

62. On payment of taxes, an MSO association & an MSO have stated that ‘as per applicable rules and regulations of the respective tax authorities’ should be added. And it should be responsibility of either MSO or LCO as jointly both of them cannot be held liable at the same time. An LCO association opined that the specific details of tax payment responsibilities need to be filled in the adjoining cells at the time of signing of the agreement as per the rules and regulations of the respective tax authorities. Whereas another LCO association commented that entity that generates the bill should pay the taxes.
63. From the above mentioned comments of the stakeholders, one thing is very clear that the billing of subscribers can be done in different methods and different parties have different expectations/ requirements. What is common is that every stakeholder is interested in proper identification of billing responsibility assigned to each Party. Keeping in view the response of the stakeholders associated with the issue and the QoS Regulations 2012, the adequate flexibility has been provided in the MIA. It is up to the Parties to decide about the name of the Party(ies) to be printed on the bills. In the MIA, the Parties can add further clauses as per their requirement. However, it should be noted that even in case where the name of the LCO appears on the bill, the service tax registration number and entertainment tax registration number of MSO must be printed on the bill as mandated by the QoS Regulations 2012 and applicable rules and regulations of the respective tax authorities must be complied with. In SIA, the bills shall be issued in the name of the MSO.
64. The QoS Regulation 2012 provides that every MSO shall be responsible for generation of bills for the subscribers and this responsibility cannot be shared with the LCO. The overall responsibility of delivery of bills and receipts to the subscribers lies with the MSO. However, in cases of mutual agreement, the Parties can share the responsibility of delivery of bills and receipts to the subscribers. The Parties can also share the responsibility of receiving and collecting subscription amount from the subscribers and in such cases the concerned Party (LCO or MSO as the case may be) shall update the information in the SMS in accordance with the regulations/ directions issued by the Authority from time to time. In case of Parties entering into interconnection agreement through SIA, the responsibility of the providing of bills and receipts and entry of details of payments in to SMS lies with the MSO.

65. In terms of the QoS Regulation, 2012 the bill should contain the details of subscription amount, applicable taxes, such as service tax, entertainment tax etc., along with the rate of taxes levied. The Authority observed that obligation of the tax compliance differs from state to state with respect to entertainment tax. Therefore, the Authority is of the view that because of the reasons mentioned above it is not possible to fix the responsibility of tax compliance on a particular Party. Therefore, the Authority has kept it open to the Parties to decide the tax payment responsibilities in accordance with their applicable tax laws and regulations in their respective states. The specific details of tax payment responsibilities need to be filled in clause 10 under the 'roles and responsibilities' at the time of signing of the agreement as per the rules and regulations of the respective tax authorities.
66. In order to maintain the accounting records, the Authority is of the view that the Party, in whose name the billing for subscribers have been agreed, should receive the payment of the subscription fee paid by the subscribers and invoice should be raised by the other Party for getting its revenue share. Accordingly, suitable provision has been incorporated in the MIA.

Revenue Settlement

67. An LCO association commented the term revenue share should be defined in detail and should be shared by all stake holders as broadcasters generate revenue from subscription from MSOs and advertisements, MSOs generate revenue from carriage fee, placement fee, advertisement fee and revenue from LCOs but LCOs generate revenue only from subscription. Another LCO association suggested that the revenue definition (including customer billing, placement fee and advertising income) may be mutually decided by MSO and LCO.
68. An LCO association opined that the revenue share should be like CAS Model and MRP of Pay channels should be declared for the consumers as done for CAS regime where FTA revenue was given 100% to the LCO as his basic service charges. Another LCO association commented that the subscription revenue sharing should be mutually decided between MSO & LCO.
69. Each stakeholder in the value chain can have multiple sources of revenue. Even LCOs can generate additional revenue by using the same network for providing broadband services either independently or in association with MSO/ Internet Service Providers

(ISP), other emerging value added services like home surveillance etc. Combining all sources of revenues for settlement purpose is possible only in the case of integrated entities and not among the independent entities, as is the case under consideration. The MIA and SIA are to be signed on principal to principal basis. Each entity should be able to compete in the market on standalone basis. And therefore it is important that the parties should mutually decide on specific amounts either in absolute terms or in percentage terms or a combination of the two, independent of sources of revenue, keeping in view the sharing of responsibilities and market conditions. Therefore the request of the stakeholders regarding definition of the term 'revenue' cannot be acceded to.

70. The regulatory frame work already provides that the revenue settlement is to be decided through mutual agreement. The Tariff order prescribes the manner in which the revenue share will be done on failure of mutual agreement between the Parties. Therefore, the Authority is of the view that the Parties should mutually decide the revenue settlement and its modalities depending upon the responsibilities shared between them. All the activities to be carried out by the Parties are to be clearly defined in the interconnection agreement entered between them and the revenue share and modalities of revenue settlement between the Parties are also be clearly defined in the terms of MIA. In terms of SIA, the MSO shall share the complete information relating to the subscribers billing and receipt of the payments with the LCO. The LCO shall issue monthly invoice to the MSO towards dues payable by the MSO for revenue settlement.

Defaults

71. On the aspect of default in payment by Parties, a cable operators association and an MSO suggested that the simple rate of interest shall be the base rate of interest of SBI plus 4%. Another cable operator association opined that a penal clause should be included against the MSO or the broadcaster if they fail to prove the default in payment. An MSO association commented that in case of two consecutive defaults by the LCO on revenue settlement, MSO may ask the LCO to deposit an advance.
72. The Authority is of the view that reasonable disincentives should be levied to discourage the delay/ default in the payment. The Authority decided the interest rate of 2% over and above the base rate of SBI is reasonable and accordingly the provision has been made in the MIA and SIA.

73. The Authority observed that the issue of default in payment is one of the main reasons which lead to the dispute between the Parties. To address this problem, the Authority is of the view that in cases where any of the Parties has failed to make payment on or before due date for three consecutive months in the past, the other Party shall have right to demand the interest free security deposit which shall not exceed average of immediately preceding 6 months billing amounts and the same shall be maintained for the remaining term of the agreement. Accordingly, suitable clauses have been added in the MIA and the SIA.

Undertaking

74. An MSO association, some MSOs and an individual commented that LCO should be referred as a franchise of MSO for the use of logo.

75. The Authority observed that the MSO and the LCO are independent registered entities and any LCO can carry signals of one or more MSOs through its network. And therefore, the Authority is of the view that there is no requirement of referring one Party as franchise of the other Party. The roles and responsibilities of each Party must be defined in the agreement.

Prevention of Piracy

76. Controlling the piracy is one of the prime concerns of the sector. An MSO urged that a harsh penalty should be levied. A broadcaster and a broadcasting foundation have suggested that the disconnection should be allowed instantly, if piracy is found out, given that the MSOs should submit appropriate proofs of piracy.

77. The Authority noted that sufficient protection has been provided to the both the Parties in the model and standard interconnection agreement framework as well as in the Cable TV Networks (Regulation) Act, 1995. Therefore the Authority is of the view that there is no requirement of such clause in the MIA and the SIA.

Disclaimer, Indemnity & Dispute Resolution

78. An LCO association commented that since TDSAT is situated only in Delhi and LCOs are present in far flung areas, it is not possible to approach TDSAT in time. LCOs must be permitted to approach local courts for a remedy. The TRAI Act must be amended accordingly so that LCOs in far off areas can get immediate relief in their respective

states. An individual commented that an arbitration clause should be incorporated in the Agreement.

79. On the aspect of jurisdiction of local court and setting up of the TDSAT benches, the Authority is of the view that the issue raised by the stakeholder is not a subject matter of consultation. As far as the arbitration clause is concerned, the TRAI Act envisages handling of disputes between the service providers by Hon'ble TDSAT. The Authority is of the view that no separate arbitrator is required in case of dispute between the service providers.

Force Majeure & Notices

80. An MSO association & some MSOs commented that provision should be provided that notice can also be served on mails or through courier and first class couriers.

81. The Authority noted the suggestion and the relevant clause have been suitably modified to include speed post as one method of sending notice.

82. The Authority observed that in case of revocation of registration of any Party, the other Party shall have right to terminate the interconnection agreement. Therefore, the force majeure clause should also include this situation in the MIA and SIA. Accordingly, suitable amendment has been made in the SIA and the MIA under force majeure clause.

Restriction on Transfer

83. An LCO association opined that it should be restricted to the extent where the network facilities of each other are being shared and used.

84. Both the LCO and MSO are independent entities registered for providing cable TV services and they are the owner of their networks / systems and this clause is in line of the same.

General Comments

85. An LCO association commented that the MSO should provide at least 2 to 3 spare frequencies to LCO for local programs and DD Channels in case of failure of transmission provided by MSO. The association also commented that prior to any change by MSO in channel packaging, the LCO should be informed.

86. An LCO Association stated that the language of agreement must be in English as well as Hindi or local language.
87. An LCO Association opined that the another sub-clause ‘Co-operation And Co-ordination Between MSO & LCO’ should be added in the interconnection agreement which binds the Parties to achieve success in the business in the Digitization mode and shared unity of purpose to deliver best service and content to the Cable TV Subscribers to uphold digitization.
88. On the aspect of sparing of 2 to 3 frequencies to the LCO for transmission of FTA channels and Doordarshan channels are concerned, the Authority noted that in DAS, it is the MSO who can downlink and re-transmit the signals of TV channels in encrypted form. Regarding the insertion of channels by LCOs in DAS area, the Authority is of the view that the Parties may work out any appropriate and technologically feasible arrangement to ensure the transmission of such channels in a digitally addressable encrypted format in line with existing regulatory provisions. The Parties through mutual agreement may include additional terms without prejudice to the existing provisions of the Cable TV Act 1995 and Rules or as amended from time to time.
89. On the aspect of language of the Agreement, the Authority is of the view that both the Parties may agree to sign a bilingual agreement in which one language must be English. In the event of dispute on the interpretation of the clause, the English version of the agreement shall prevail.
90. The Authority observed that through the interconnection agreement, the Parties decide upon their rights, obligation, roles and responsibilities with an aim to provide the services to the subscribers in terms of the intent of the regulations. The Authority is of the view that the interconnecting Parties are independent entities and therefore inclusion of a clause on “Co-operation and Co-ordination” in the MIA and SIA is not required.
91. The Authority has observed in the past that on many occasions the business transaction between MSOs and LCOs are not carried out in writing and mostly they are done on oral basis which results in frequent disputes between them. Therefore, the Authority is of the view that the Parties must agree that each and every transaction including movable and immovable properties/assets between the Parties shall be carried out in writing or any

other verifiable means. Accordingly, suitable clause has been added in the MIA and the SIA.

Rationale for amendment in the Regulation to incorporate the provisions for MIA and the SIA

92. The Authority observed that the Interconnection Regulation, 2012 requires amendment for incorporating the provisions of the MIA and the SIA.

93. In terms of the Cable Television Networks (Regulation) Act, 1995 and the Cable TV Rules made thereunder, the MSO can provide the signals of TV channels directly to the subscriber or through one or more linked LCOs. The LCO is the registered entity for providing cable TV services to the subscribers. In the Interconnection Regulation 2012, the LCOs have been given right to receive signals of TV channels from the MSO. However, the LCO is required to make a written request to the MSO for getting the signal. The MSO must provide signals of TV channels after execution of written interconnection agreement. In this amendment, the Authority has mandated that the interconnection agreement shall be entered into by the Parties in terms of MIA or the SIA, as the case may be, within 30 days from the date of receipt of written request from the LCO and, in line with the existing provisions, the signals of TV channels shall be provided to the LCO within 60 days from the date of receipt of written request. Accordingly, amendments have been made in the regulations.

94. The Interconnection Regulation, 2012 provides that the MSOs and LCOs shall enter into the interconnection agreement before provision of cable TV services to the subscribers. The Parties may enter into an interconnection agreement on lines of the MIA or by signing the agreement strictly in terms of SIA. The MIA is primarily a format of interconnection agreement that enables the Parties to have a mutual agreement in a structured manner in line with the regulatory framework. As per the industry practice normally the Parties negotiate their commercial terms in terms of (i) sharing of responsibilities, (ii) billing and/or (iii) revenue settlement. The amendment provides full flexibility on these aspects as the Parties can enter into written interconnection agreement by modifying clauses 10 (roles and responsibilities), 11 (billing) and/or 12 (revenue settlement) of the MIA. They also have a freedom to add additional clauses through mutual agreement to the MIA for stipulating any additional conditions. However it has been mandated that the Parties shall ensure that no such addition shall have the effect of

diluting any of the conditions laid down in the MIA. In this manner, the freedom of contract within the regulatory framework has still been continued. This will help the Parties to assert its rights and obligations provided to them by the regulatory framework and avoid disputes. If the Parties fail to mutually agree on MIA, then they can enter into interconnection agreement on the terms of SIA, where no addition, alteration and deletion of the clauses provided therein is allowed. Accordingly sub-regulation 14 of regulation 3 and sub-regulation 13 of regulation 5 have been amended incorporating schedules IV and V providing Model Interconnection Agreement and Standard Interconnection Agreement.

95. The sub-regulation 15 and 16 of the regulation 3 of the Interconnection Regulations, 2012 prescribes modalities of revenue settlement. It provides that MSO shall raise an invoice to the LCO clearly specifying the current payment dues and arrears if any. The responsibility of raising the invoice by one Party to the other Party depends upon the nature of commercial arrangement between the Parties. Since the terms of revenue settlement in MIA has been left to the Parties for mutual negotiations, the responsibility of raising invoice would vary depending upon the mutually agreed arrangement by the Parties. In view of this, the Authority has decided to delete these sub-regulations. Therefore, with this amendment, the Parties can either mutually decide this responsibility as per MIA or enter into SIA wherein this responsibility is assigned to MSO in the revenue settlement clause.

96. In this amendment the Authority has prescribed a time period of 30 days for the MSO to give an option to its existing linked LCOs to modify their existing interconnection agreements as per SIA or MIA. It is open to the LCO to modify their existing agreement in terms of MIA or the SIA or continue with the existing agreement till its expiry. All new agreements shall be done based on prescribed MIA or SIA as the case may be. Pursuant to the option, where the written request for modification of existing agreement is received from the LCO, the MSO shall modify the existing interconnection agreement in accordance with the MIA or SIA within 30 days.

97. The Authority is of the view that the prescription of the MIA and the SIA will pave the way for growth of the sector, help in reduction of disputes between the MSOs and LCOs, provide level playing field to the Parties and increase healthy competition in the sector which ultimately will help in better quality of service to the subscribers.
