

**TO BE PUBLISHED IN THE GAZETTE OF INDIA, EXTRAORDINARY,
PART III, SECTION 4
TELECOM REGULATORY AUTHORITY OF INDIA
NOTIFICATION**

New Delhi, the 3rd March, 2017

F. No. 21-4/2016-B&CS.— In exercise of the powers conferred by section 36, read with sub-clauses (ii), (iii) and (iv) 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 Central Government, in the Ministry of Communication and Information Technology (Department of Telecommunications), No. 39, —

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

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

the Telecom Regulatory Authority of India hereby makes the following regulations, namely:-

**THE TELECOMMUNICATION (BROADCASTING AND CABLE) SERVICES
INTERCONNECTION (ADDRESSABLE SYSTEMS) REGULATIONS, 2017
(No. 1 of 2017)**

CHAPTER – I

PRELIMINARY

1. Short title, extent and commencement.— (1) These regulations may be called the Telecommunication (Broadcasting and Cable) Services Interconnection (Addressable Systems) Regulations, 2017.

(2) These regulations shall cover commercial and technical arrangements, among service providers for interconnection, for broadcasting services relating to television provided through addressable systems throughout the territory of India.

(3) These regulations shall come into force from the date of their publication in the Official Gazette.

2. Definitions.— (1) In these regulations, unless the context otherwise requires:-

- (a) “Act” means the Telecom Regulatory Authority of India Act, 1997 (24 of 1997);
- (b) “active subscriber” for the purpose of these regulations, means a subscriber who has been authorized to receive signals of television channels as per the subscriber management system and whose set top box has not been denied signals;
- (c) “addressable system” means an electronic device (which includes hardware and its associated software) or more than one electronic device put in an integrated system through which transmission of programmes including re-transmission of signals of television channels can be done in encrypted form, which can be decoded by the device or devices at the premises of the subscriber within the limits of the authorization made, on the choice and request of such subscriber, by the distributor of television channels;
- (d) “a-la-carte” or “a-la-carte channel” with reference to offering of a television channel means offering the channel individually on a standalone basis;
- (e) “Authority” means the Telecom Regulatory Authority of India established under sub-section (1) of section 3 of the Telecom Regulatory Authority of India Act, 1997 (24 of 1997);

- (f) “average active subscriber base” means the number arrived by averaging the active subscriber base count in the manner specified in the Schedule VII;
- (g) “bouquet” or “bouquet of channels” means an assortment of distinct channels offered together as a group or as a bundle and all its grammatical variations and cognate expressions shall be construed accordingly;
- (h) “broadcaster” means a person or a group of persons, or body corporate, or any organization or body who, after having obtained, in its name, downlinking permission for its channels, from the Central Government, is providing programming services;
- (i) “broadcaster’s share of maximum retail price” with reference to a pay channel or a bouquet of pay channels means any fee payable by a distributor of television channels to a broadcaster for signals of pay channel or bouquet of pay channels, as the case may be, and for which due authorization has been obtained by such distributor from that broadcaster;
- (j) “broadcasting services” means the dissemination of any form of communication like signs, signals, writing, pictures, images and sounds of all kinds by transmission of electro-magnetic waves through space or through cables intended to be received by the general public either directly or indirectly and all its grammatical variations and cognate expressions shall be construed accordingly;
- (k) “cable service” or “cable TV service” means the transmission of programmes including re-transmission of signals of television channels through cables;
- (l) “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;
- (m) “carriage fee” means any fee payable by a broadcaster to a distributor of television channels only for the purpose of carrying its channels through the distributor’s network, without, specifying the placement of such channels onto a specific position in the electronic programme guide or, seeking assignment of a particular number to such channels;
- (n) “compliance officer” means any person designated so, who is capable of appreciating

requirements for regulatory compliance under these regulations, by a service provider;

- (o) “direct to home operator” or “DTH operator” means any person who has been granted licence by the Central Government to provide direct to home (DTH) service;
- (p) “direct to home service” or “DTH service” means re-transmission of signals of television channels, by using a satellite system, directly to subscriber’s premises without passing through an intermediary such as local cable operator or any other distributor of television channels;
- (q) “distribution fee” means any fee payable by a broadcaster to a distributor of television channels for the purpose of distribution of pay channel or bouquet of pay channels, as the case may be, to subscribers and it does not include carriage fee;
- (r) “distribution platform” means distribution network of a DTH operator, multi- system operator, HITS operator or IPTV operator;
- (s) “distributor of television channels” or “distributor” means any DTH operator, multi-system operator, HITS operator or IPTV operator;
- (t) “electronic programme guide” or “EPG” means a program guide maintained by the distributors of television channels that lists television channels and programmes, and scheduling and programming information therein and includes any enhanced guide that allows subscribers to navigate and select such available channels and programmes;
- (u) “free-to-air channel” or “free-to-air television channel” means a channel which is declared as such by the broadcaster and for which no fee is to be paid by the distributor of television channels to the broadcaster for signals of such channel;
- (v) “head end in the sky operator” or “HITS operator” means any person permitted by the Central Government to provide head end in the sky (HITS) service;
- (w) “head end in the sky service” or “HITS service” means transmission of programmes including re-transmission of signals of television channels—
 - (i) to intermediaries like local cable operators or multi-system operators by using a satellite system and not directly to subscribers; and
 - (ii) to the subscribers by using satellite system and its own cable networks;

- (x) “interconnection” means commercial and technical arrangements under which service providers connect their equipments and networks to provide broadcasting services to the subscribers;
- (y) “interconnection agreement” with all its grammatical variations and cognate expressions means agreements on interconnection providing technical and commercial terms and conditions for distribution of signals of television channel;
- (z) “internet protocol television operator” or “IPTV operator” means a person permitted by the Central Government to provide IPTV service;
- (aa) “internet protocol television service” or “IPTV service” means delivery of multi channel television programmes in addressable mode by using Internet Protocol over a closed network of one or more service providers;
- (bb) “local cable operator” or “LCO” means a person registered under rule 5 of the Cable Television Networks Rules, 1994;
- (cc) “maximum retail price” or “MRP” for the purpose of these regulations, means the maximum price, excluding taxes, payable by a subscriber for a-la-carte pay channel or bouquet of pay channels, as the case may be;
- (dd) “multi-system operator” or “MSO” means a cable operator who has been granted registration under rule 11 of the Cable Television Networks Rules, 1994 and who receives a programming service from a broadcaster 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;
- (ee) “network capacity fee” means the amount, excluding taxes, payable by a subscriber to the distributor of television channels for distribution network capacity subscribed by that subscriber to receive the signals of subscribed television channels and it does not include subscription fee for pay channel or bouquet of pay channels, as the case may be;
- (ff) “pay broadcaster” means a broadcaster which has declared its one or more channels as pay channel to the Authority under the provisions of applicable regulations or tariff order, as the case may be;

- (gg) “pay channel” means a channel which is declared as such by the broadcaster and for which a share of maximum retail price is to be paid to the broadcaster by the distributor of television channels and for which due authorization needs to be obtained from the broadcaster for distribution of such channel to subscribers;
- (hh) “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;
- (ii) “QoS Regulations” means the Telecommunication (Broadcasting and Cable) Services Standards of Quality of Service and Consumer Protection (Addressable Systems) Regulations, 2017;
- (jj) “reference interconnection offer” or “RIO” means a document published by a service provider specifying terms and conditions on which the other service provider may seek interconnection with such service provider;
- (kk) “service provider” means the Government as a service provider and includes a licensee as well as any broadcaster, distributor of television channels or local cable operator;
- (ll) “set top box” or “STB” means a device, which is connected to or is part of a television receiver and which enables a subscriber to view subscribed channels;
- (mm) “subscriber” for the purpose of these regulations, means a person who receives broadcasting services, from a distributor of television channels, at a place indicated by such person without further transmitting it to any other person and who does not cause the signals of television channels to be heard or seen by any person for a specific sum of money to be paid by such person, and each set top box located at such place, for receiving the subscribed broadcasting services, shall constitute one subscriber;
- (nn) “subscriber management system” 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 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;

(oo) "tariff order" means the Telecommunication (Broadcasting and Cable) Services (Eighth) (Addressable Systems) Tariff Order, 2017;

(pp) "television channel" means a channel, which has been granted permission for downlinking by the Central Government under the policy guidelines issued or amended by it from time to time and reference to the term 'channel' shall be construed as a reference to "television channel".

(2) All other words and expressions used in these regulations but not defined, and defined in the Act and rules and regulations made thereunder or the Cable Television Networks (Regulation) Act, 1995 (7 of 1995) 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.

CHAPTER II INTERCONNECTION

3. General obligations of broadcasters.— (1) No broadcaster shall engage in any practice or activity or enter into any understanding or arrangement including exclusive contracts with any distributor of television channels that prevents any other distributor of television channels from obtaining signals of television channel of such broadcaster for distribution.

(2) Every broadcaster shall, within sixty days of receipt of written request from a distributor of television channels for obtaining signals of television channel or within thirty days of signing of interconnection agreement with the distributor, as the case may be, provide, on non-discriminatory basis, the signals of television channel to the distributor or convey the reasons in writing for rejection of the request if the signals of television channel are denied to such distributor:

Provided that imposition of any term or condition by the broadcaster, which is unreasonable, shall be deemed to constitute a denial of request:

Provided further that this sub-regulation shall not apply to a distributor of television channels, who requests signals of a particular television channel from a broadcaster while at the same time demands carriage fee for distribution of that television channel or who is in default of payment to the broadcaster and continues to be in such default.

(3) If a broadcaster, proposes or stipulates for, directly or indirectly, placing the channel in any specified position in the electronic programme guide or assigning a particular channel number, as a pre-condition for providing signals, such pre-condition shall also amount to imposition of unreasonable condition.

Explanation: For removal of doubt, it is clarified that if a pay broadcaster offers discount, in non-discriminatory manner, through its reference interconnect offer on the maximum retail price of pay channel, within the limit as specified in sub-regulation (4) of regulation 7, to distributors of television channels for placing the channel in any specified position in the electronic programme

guide or assigning particular channel number, such offer of discount shall not be considered a pre-condition.

(4) No broadcaster shall propose, stipulate or demand for, directly or indirectly, packaging of the channel in any particular bouquet offered by the distributor of television channels to subscribers.

(5) No broadcaster shall propose, stipulate or demand for, directly or indirectly, guarantee of a minimum subscriber base or a minimum subscription percentage for its channel or bouquet.

Explanation: For removal of doubt, it is clarified that the subscription percentage of a channel or bouquet refers to the percentage of subscribers subscribing to a specific channel or bouquet out of average active subscriber base of a distributor.

4. General obligations of distributors of television channels.— (1) No distributor of television channels shall engage in any practice or activity or enter into any understanding or arrangement including exclusive contracts with any broadcaster that prevents any other broadcaster from obtaining access to the network of such distributor for distribution of its channel.

(2) No distributor of television channels shall engage in any practice or activity or enter into any understanding or arrangement including exclusive contracts with any local cable operator that prevents any other local cable operator from obtaining signals of television channels from such distributor for further distribution.

(3) Every distributor of television channels shall declare coverage area of each distribution network as a target market:

Provided that it shall be permissible for a distributor to declare, in non-discriminatory manner, any area within the coverage area of distribution network as a target market.

¹[Provided further that for a multi-system operator or Internet Protocol Television Operator or Headend-in-the-Sky (HITS) operator the target market shall in no case be larger than a State or a Union Territory.]

Explanation: For the purpose of this regulation, each Head-end or Earth Station, as the case may be, and its associated network used for distribution of signals of television channels shall constitute one distribution network.

¹ Ins. by the Second Amendment Regulations, 2020, reg.2(a) (w.e.f. 01.03.2020)

(4) Every distributor of television channels shall, within thirty days from the commencement of these regulations or within thirty days from the commencement of its operations, as the case may be, on its website, publish—

- (a) target markets as declared under sub-regulation (3) of this regulation;
- (b) the total channel carrying capacity of its distribution network in terms of number of standard definition channels;
- (c) list of channels available on the network;
- (d) number of channels for which signals of television channels have been requested by the distributor from broadcasters and the interconnection agreements signed;
- (e) spare channel capacity available on the network for the purpose of carrying signals of television channels; and
- (f) list of channels, in chronological order, for which requests have been received from broadcasters for distribution of their channels, the interconnection agreements have been signed and are pending for distribution due to non-availability of the spare channel capacity:

Provided that the list of channels in chronological order, under clause (f), shall be prepared on the basis of date and time of receipt of the written request from the broadcaster:

Provided further that for the purpose of calculating spare channel capacity of the distribution network, one high definition channel shall be equal to two standard definition channels:

Provided further that spare channel capacity available on the network under clause (e) shall be the difference between the total channel carrying capacity of the distribution network and numbers of channels available on the distribution network in terms of standard definition channels:

Provided further that any subsequent change, due to addition or reduction in total channel carrying capacity of the distribution network or due to addition of channels on the distribution network or due to discontinuation of existing channels available on distribution the network, shall be reflected in the spare channel capacity:

Provided also that any change in the information, published under this sub-regulation, shall be updated on the website within seven calendar days from the date of occurrence of such change.

(5) Every distributor shall allocate every alternate spare channel capacity on its network to the channels, in sequential manner, listed under clause (f) of sub-regulation (4), for distribution of the television channels.

(6) Nothing contained in the sub-regulation (5) shall apply if no request for distribution of a television channel is pending under clause (f) of sub-regulation (4).

(7) Subject to the availability of spare channel capacity on the distribution network, under sub-regulation (4), every distributor of television channels shall, within sixty days of receipt of written request from a broadcaster for distribution of television channel or within thirty days of signing of written interconnection agreement with the broadcaster, as the case may be, carry, on non-discriminatory basis, the signals of such television channel or convey the reasons in writing for rejection of request if the distribution of such television channel is denied to the broadcaster:

Provided that imposition of any term or condition by the distributor of television channels, which is unreasonable, shall be deemed to constitute a denial of request:

Provided further that nothing contained in this sub-regulation shall apply to a broadcaster who refuses to pay the carriage fee to the distributor of television channels or who is in default of payment to the distributor and continues to be in such default.

¹[(8) It shall be permissible to the distributor of television channels to discontinue carrying of a television channel in case the monthly subscription percentage for that channel is less than the

¹ Subs. by the Second Amendment Regulations, 2020, reg. 2(b) (w.e.f. 01.03.2020), for the following:

“It shall be permissible to the distributor of television channels to discontinue carrying of a television channel in case the monthly subscription percentage for that channel is less than five percent of the monthly average active subscriber base of that distributor in the target market specified in the interconnection agreement, in each of the immediately preceding six consecutive months:

Provided that for the purpose of calculation of monthly subscription percentage for high definition television channel, the monthly average active subscriber base shall be of subscribers capable of receiving high definition television channels.”

discontinuation threshold calculated as per Schedule VIII, in each of the immediately preceding six consecutive months:

Provided that the language of the television channel shall be the language as published on its website and declared to the Authority by the broadcaster, and after 1st July, 2020, it shall be the language specified in the downlinking permission of the television channel issued by the government.

Explanation: In case the downlinking permission issued by the government specifies multiple languages as the language of the television channel, then the language proportion of the television channel shall be calculated by adding the proportionate percentage of all such languages together for a target market.]

(9) A distributor of television channels shall not be under obligation to carry a channel which has been discontinued as per sub-regulation (8), for a period of one year from the date of such discontinuation.

(10) If a distributor of television channels, before providing access to the network for distribution of television channels requested by a broadcaster, directly or indirectly, proposes, stipulates or demands for a minimum guarantee for period or number of channels, as a pre-condition for providing access to the network, such pre-condition shall also amount to imposition of unreasonable condition.

(11) Every distributor of television channels shall, within sixty days of receipt of written request from a local cable operator or within thirty days of signing of written interconnection agreement with the local cable operator, as the case may be, provide, on non-discriminatory basis, signals of television channels to such local cable operator or convey the reasons in writing for rejection of request if the signals are denied to such local cable operator:

Provided that imposition of any term or condition by the distributor of television channels, which is unreasonable, shall be deemed to constitute a denial of request:

Provided further that in case, it is not feasible to provide signals of television channels at a location where the signals have been requested by the local cable operator, the distributor of television channels shall inform the local cable operator within thirty days from the date of receipt of request the reasons for such non-feasibility:

Provided further that this sub-regulation shall not apply in case of a local cable operator who is in default of payment of a distributor of television channels and continues to be in such default:

Provided also that a local cable operator shall not be treated as being in default of payment to a distributor if it has made payment of all bills of preceding six months.

(12) No distributor of television channels shall, for providing signals of television channels to a local cable operator, propose, stipulate or demand for, directly or indirectly, guarantee of a minimum subscriber base.

(13) Nothing contained in the sub-regulation (11) and sub-regulation (12) of this regulation shall apply to a DTH operator.

¹[4A. Compliance to requirements of Addressable System by distributors of television channels.— (1) Every distributor of television channel shall, from such date and after such testing and certification, as may be specified by the Authority by order, deploy such conditional access system and subscriber management system which conform to the requirements as specified in the Schedule IX:

Provided that for the conditional access systems and subscriber management systems already deployed before the date of issue of the order referred to in this sub-regulation, the Authority shall specify a separate timeline within which such systems shall get tested and certified to meet the requirements as specified in the Schedule IX.

(2) If a distributor fails to obtain the certification of the conditional access system and/or subscriber management system deployed in its network within the stipulated timelines, as specified by the Authority under sub-regulation (1), it shall, without prejudice to the terms and conditions of its license or permission or registration, or the Act or rules or regulations or orders

¹ Ins. by the Third Amendment Regulations, 2021, reg. 2 (w.e.f 11.06.2021)

made, or directions issued, there-under, be liable to pay, by way of financial disincentive, an amount of rupees one thousand per day for default up to thirty days beyond the due date and an additional amount of rupees two thousand per day in case the default continues beyond thirty days from the due date, as the Authority may, by order, direct:

Provided that the financial disincentive levied by the Authority under this sub-regulation shall in no case exceed rupees two lakhs:

Provided further that no order for payment of any amount by way of financial disincentive shall be made by the Authority unless the distributor has been given a reasonable opportunity of representation against the contravention of the regulations, observed by the Authority:

Provided also that the Authority may direct the broadcasters to disconnect the signals of its television channel after giving written notice of three weeks to the distributor in case the default continues beyond sixty days from the due date.]

5. General obligations of service providers.— (1) No service provider shall, directly or indirectly, prohibit another service provider from providing its services to any subscriber or in any geographical area, as the case may be.

(2) No service provider shall, propose, stipulate or demand for, directly or indirectly, payment of a minimum guarantee amount by other service provider for providing signals of television channels or access to the network, as the case may be.

(3) Every service provider shall issue monthly invoice, to the other service provider with whom interconnection agreements have been entered into, for collection of payment and such invoice shall clearly specify the current payment dues and arrears, if any, along with the due date for payment.

(4) Any claim for arrears by the service provider under these regulations, shall be accompanied by proof of service of invoices for the periods to which the arrears pertain.

CHAPTER III
REFERENCE INTERCONNECTION OFFER

6. Compulsory offering of channels on a-la-carte basis.— (1) Every broadcaster shall offer all its television channels on a-la-carte basis to the distributors of television channels:

Provided that the broadcaster may also offer its pay channels, in addition to offering of pay channels on a-la-carte basis, in form of bouquet:

Provided further that such bouquet shall not contain--

- (a) any 'free-to-air channel'; and
- (b) High definition (HD) and Standard Definition (SD) variants of the same channel.

7. Publication of reference interconnection offer by broadcaster for pay channels.— (1) Every broadcaster shall publish, on its website, reference interconnection offer, in conformance with the regulations and the tariff orders notified by the Authority, for providing signals of all its pay channels to the distributor of television channels—

- (a) within sixty days of commencement of these regulations; and
- (b) before launching of a pay channel.

and simultaneously submit, for the purpose of record, a copy of the same to the Authority.

(2) The reference interconnection offer, referred to in sub-regulation (1), shall contain the technical and commercial terms and conditions relating to, including but not limited to, maximum retail price per month of pay channel, maximum retail price per month of bouquet of pay channels, discounts, if any, offered on the maximum retail price to distributors, distribution fee, manner of calculation of 'broadcaster's share of maximum retail price', genre of pay channel and other necessary conditions:

Provided that a broadcaster may include in its reference interconnection offer, television channel or bouquet of pay channels of its subsidiary company or holding company or subsidiary company of the holding company, which has obtained, in its name, the

downlinking permission for its television channels from the Central Government, after written authorization by them.

Explanation: For the purpose of these regulations, the definition of “subsidiary company” and “holding company” shall be the same as assigned to them in the Companies Act, 2013 (18 of 2013).

(3) Every broadcaster shall declare a minimum twenty percent of the maximum retail price of pay channel or bouquet of pay channels, as the case may be, as the distribution fee:

¹[Provided that the rate of distribution fee declared by the broadcaster shall be same for pay channel and bouquet of pay channels and shall be uniform across all the distribution platforms.]

²[(4) It shall be permissible to a broadcaster to offer discounts, on the maximum retail price of pay channel or bouquet of pay channels, to distributors of television channels, not exceeding fifteen percent of the maximum retail price:

Provided that the sum of distribution fee declared by a broadcaster under sub-regulation (3) and discounts offered under this sub-regulation in no case shall exceed thirty five percent of the maximum retail price of pay channel or bouquet of pay channels, as the case may be:

¹ Subs. by the Second Amendment Regulations, 2020, reg. 3(a) (w.e.f. 15.01.2020), for the following:
“Provided that the distribution fee declared by the broadcaster shall be uniform across all the distribution platforms”

² Subs. by the Fourth Amendment Regulations, 2022, reg. 2 (w.e.f. 23.11.2022), for the following:
“(4) It shall be permissible to a broadcaster to offer discounts, on the maximum retail price of pay channel ³[* * * *], to distributors of television channels, not exceeding fifteen percent of the maximum retail price:
Provided that the sum of distribution fee declared by a broadcaster under sub-regulation (3) and discounts offered under this sub-regulation in no case shall exceed thirty five percent of the maximum retail price of pay channel ⁴[* * * *]:
Provided further that offer of discounts, if any, to distributors of television channels, shall be on the basis of fair, transparent and non-discriminatory terms:
Provided also that the parameters of discounts shall be measurable and computable.”

³ Del. the words “or bouquet of pay channels” by the Second Amendment Regulations, 2020, reg. 3(b) (w.e.f. 15.01.2020)

⁴ Del. the words “or bouquet of pay channels, as the case may be” by the Second Amendment Regulations, 2020, reg. 3(c) (w.e.f. 15.01.2020)

Provided further that offer of discounts, if any, to distributors of television channels, shall be based on combined subscription of the channel, both in bouquets as well as in a-la-carte, and such discount, if any, shall be offered on proportionate revenue from such channel as a-la-carte and as part of (any) bouquet:

Explanation: Any discount, offered as an incentive by a broadcaster on the maximum retail price of the pay channel or bouquet, based on actual number of subscribers or actual subscription percentage, recorded in a month, shall take into account total subscription of the channel both in a-la-carte as well as bouquet.

Illustrations

- (a) Let us assume a broadcaster is offering a discount, as an incentive, of say 10% on the maximum retail price of a pay channel to the distributor in case actual subscription percentage of that channel reaches say 75%. In case the actual subscription percentage of that channel reaches say 30% on a-la-carte basis and say 45% in bouquets, then the distributor should become eligible to get the above-mentioned discount, as the actual combined subscription percentage of that channel would be 75%.
- (b) Let us assume a broadcaster is offering a discount, as an incentive, of say 10% on the maximum retail price of a pay channel (Channel X) to the distributor in case actual combined subscription percentage of that channel on a-la-carte basis and as part of a bouquet reaches say 75%. Now, say the actual subscription percentage of that channel reaches 30% in a-la-carte and 45% as part of a bouquet, then the distributor should become eligible to get the above-mentioned discount, because the actual combined subscription percentage of that channel would be 75%. In such case, the discount to be offered as an incentive for the combined subscription attained will be calculated in proportion to the channel's revenue on a-la-carte basis as well as in a bouquet, i.e. on the maximum retail price and the 'effective price' of the channel, respectively. Now, say the bouquet has been designed by combining a few channels and offering 40% reduction of sum of a-la-carte price of individual channels forming part of that bouquet. Say, Channel X has an maximum retail price of Rs. 10/-, then in such case the 'effective price' of Channel X in the bouquet will be Rs 6/- (i.e. 40% less than the maximum retail price of the television channel). The final amount of incentive for this Channel X will be arrived at as below:

Sum of Proportionate Revenue of the Channel X on a-la-carte basis and as part of bouquet =
Maximum retail price x Subscription on a-la-carte basis + Effective Price in bouquet x
Subscription of the bouquet

Amount of Discount on Channel X = Sum of Proportionate Revenue of Channel X on a-la-
carte and bouquets * Prescribed % Discount

- (c) Let us assume a broadcaster is offering a discount, as an incentive, of say 10% on the maximum retail price of a pay channel to the distributor in case actual combined subscription percentage of that channel reaches say 75%. Now, say the channel is offered on a-la-carte basis and also as a part of two bouquets, and its actual subscription percentage is 10% in a-la-carte, 20% as part of Bouquet A and 45% as part of Bouquet B. In such case, the discount to be offered as an incentive for the combined subscription attained will be calculated in proportion to the channel's revenue on a-la-carte as well as in each of the bouquets. Say Bouquet A and Bouquet B have been designed by combining a few channels and offering 40% and 30% reduction of sum of a-la-carte price of individual channels forming part of that bouquet, respectively. Say, Channel X has a maximum retail price of Rs. 10/-, then in such case the 'effective price' of Channel X in Bouquet A will be Rs 6/- (i.e. 40% less than the maximum retail price of the television channel) and in Bouquet B will be Rs 7/- (i.e. 30% less than the maximum retail price of the television channel). In this case, the final amount of incentive for this Channel X will be arrived at as below:

Sum of Proportionate Revenue of the Channel on a-la-carte basis and as part of bouquets =
Maximum retail price x Subscription on a-la-carte basis + Effective Price in Bouquet A x
Subscription of Bouquet A + Effective Price in Bouquet B x Subscription of Bouquet B..

Amount of Discount of the said Television Channel = Sum of Proportionate Revenue of the
said Television Channel on a-la-carte basis and as part of bouquets x Prescribed % Discount.

Provided also that offer of discounts, if any, to distributors of television channels shall be on
the basis of fair, transparent and non-discriminatory terms:

Provided also that the parameters of discounts shall be measurable and computable.”]

(5) Every broadcaster of pay channel shall mention in its reference interconnection offer the names of persons, telephone numbers, and e-mail addresses designated to receive request for receiving interconnection from distributors of television channels and grievance redressal thereof.

(6) The terms and conditions mentioned in the reference interconnection offer shall include all necessary and sufficient provisions, which make it a complete interconnection agreement on signing by other party, for distribution of television channels.

(7) The Authority, *suo-motu* or otherwise, may examine the reference interconnection offer submitted by a broadcaster and on examination if the Authority is of the opinion that the reference interconnection offer is not in conformance with the provisions of the regulations and the tariff orders notified by the Authority, it may, after giving an opportunity of being heard to such broadcaster, direct such broadcaster to modify the said reference interconnection offer and such broadcaster shall amend reference interconnection offer accordingly and publish the same within fifteen days of receipt of the direction.

(8) Any amendment to the reference interconnection offer shall be published in the same manner as provided under the sub-regulations (1), (2), (3), (4), (5) and (6) of this regulation.

(9) In the event of any amendment to the reference interconnection offer by a broadcaster under sub-regulation (8), the broadcaster shall give an option to all distributors, with whom it has written interconnection agreements in place, within thirty days from the date of such amendment and it shall be permissible to such distributors to enter into fresh interconnection agreement in accordance with the amended reference interconnection offer, within thirty days from the date of receipt of such option, or continue with the existing interconnection agreement.

8. Publication of reference interconnection offer by distributor of television channels.— (1) Every distributor of television channels shall publish, on its website, reference interconnection offer, in conformance with the regulations and the tariff orders notified by the Authority, for carrying channels—

(a) within sixty days of commencement of these regulations; and

(b) before starting a new distribution network:

and simultaneously submit, for the purpose of record, a copy of the same to the Authority.

Provided that such reference interconnection offer shall be applicable only in the cases where a broadcaster requests a distributor of television channels to carry the broadcaster's channels on the distribution network.

(2) The reference interconnection offer, referred to in sub-regulation (1), shall contain the technical and commercial terms and conditions relating to, including but not limited to, target market, rate of carriage fee per month, average active subscriber base of standard definition set top boxes and high definition set top boxes at the time of publication of the reference interconnection offer, discounts, if any, offered on the rate of carriage fee, manner of calculation of carriage fee payable to the distributor and other necessary conditions:

Provided that the rate of carriage fee per standard definition channel per subscriber per month to be declared by a distributor of television channels shall not exceed twenty paise¹[and the total carriage fee payable for such television channel per month, by a broadcaster to a distributor of television channels, shall, in no case, exceed rupees four lakh]:

Provided further that the rate of carriage fee per high definition channel per subscriber per month to be declared by a distributor of television channels shall not exceed forty paise²[and the total carriage fee payable for such television channel per month, by a broadcaster to a distributor of television channels, shall, in no case, exceed rupees eight lakh]:

Provided also that a distributor of television channels shall calculate the carriage fee amount for television channels as per the provisions specified in the Schedule I, which shall change with the changes in monthly subscription percentage of such television channels.

(3) It shall be permissible to a distributor of television channels to offer discounts to broadcasters on the rate of carriage fee which shall not exceed thirty five percent of the rate of carriage fee declared under sub-regulation (2):

¹ Ins. by the Second Amendment Regulations, 2020, reg. 4(a) (w.e.f. 01.03.2020)

² Ins. by the Second Amendment Regulations, 2020, reg. 4(b) (w.e.f. 01.03.2020)

Provided that offer of discounts, if any, to broadcaster on the carriage fee, shall be on the basis of fair, transparent and non-discriminatory terms:

Provided further that the parameters of discounts shall be measurable and computable:

Provided also that it shall be permissible for a distributor of television channels to offer discounts exceeding thirty five percent of the rate of carriage fee declared under sub-regulation (2) for the channel specified by the Authority, through a direction, in the public interest.

(4) Every distributor of television channels shall, in its reference interconnection offer, mention the names of persons, telephone numbers, and e-mail addresses, designated for receiving interconnection requests from broadcasters and grievance redressal thereof.

(5) The terms and conditions mentioned in the reference interconnection offer shall include all necessary and sufficient provisions, which make it a complete interconnection agreement for signing by other party, for carrying television channels.

(6) The Authority, *suo-motu* or otherwise, may examine the reference interconnection offer submitted by a distributor of television channels and on examination if the Authority is of the opinion that the reference interconnection offer has not been prepared in conformance with the provisions of the regulations and the tariff orders notified by the Authority, it may, after giving an opportunity of being heard to such distributor, direct such distributor to modify the said reference interconnection offer and such distributor shall amend reference interconnection offer accordingly and publish the same within fifteen days of receipt of the direction.

(7) Any amendment to the reference interconnection offer shall be published in the same manner as provided under the sub-regulation (1), (2), (3), (4) and (5) of this regulation.

(8) In the event of any amendment in the reference interconnection offer by a distributor of television channels under sub-regulation (7), the distributor shall give an option to all broadcasters, with whom it has written interconnection agreements in place, within thirty days from the date of such amendment and it shall be permissible to such broadcasters to enter into

fresh interconnection agreements in accordance with the amended reference interconnection offer within thirty days from the date of receipt of such option or continue with the existing interconnection agreements.

CHAPTER IV
INTERCONNECTION AGREEMENT

9. General provisions relating to interconnection agreements.— (1) It shall be mandatory for service providers to reduce the terms and conditions of all their interconnection agreements to writing.

(2) A service provider shall not incorporate any provision in the interconnection agreement with the other service provider which would require, directly or indirectly, the latter to pay a minimum guaranteed amount and any agreement to contrary shall be void.

(3) It shall be mandatory for service providers to either renew or amend all their existing interconnection agreements in compliance with the provisions of the regulations and the tariff orders notified by the Authority, within one hundred and fifty days of commencement of these regulations.

10. Interconnection agreement between broadcaster and distributor of television channels.—

(1) No broadcaster shall provide signals of pay channels to a distributor of television channels without entering into a written interconnection agreement with such distributor of television channels.

(2) No distributor of television channels shall distribute pay channels of any broadcaster without entering into a written interconnection agreement with such broadcaster.

(3) It shall be mandatory for a broadcaster and a distributor of television channels to enter into written interconnection agreement on a-la-carte basis for distribution of pay channels.

(4) Every broadcaster shall devise an application form for request of signals of television channel by distributors of television channels in accordance with the Schedule II.

(5) A distributor of television channels desirous of obtaining signals of television channels shall make a written request in the application form devised by the broadcaster.

(6) Every distributor of television channels before requesting signals of television channels from a broadcaster shall ensure that the addressable systems to be used for distribution of television channels meet the requirements as specified in the Schedule III.

(7) If a broadcaster, before providing signals of television channels, is of the opinion that the addressable system, being used by the distributor for distribution of television channels, does not meet the requirements specified in the Schedule III, it may, without prejudice to the time limit specified in sub-regulation (2) of the regulation 3, cause audit of the addressable system of the distributor by M/s. Broadcast Engineering Consultants India Limited, or any other auditor empanelled by the Authority for conducting such audit and provide a copy of the report prepared by the auditor to the distributor:

Provided that unless the configuration or the version of the addressable system of the distributor has been changed after issuance of the report by the auditor, the broadcaster, before providing signals of television channel shall not cause audit of the addressable system of the distributor if the addressable system of such distributor has been audited during the last one year by M/s. Broadcast Engineering Consultants India Limited, or any other auditor empanelled by the Authority and the distributor produces a copy of such report as a proof of conformance to the requirements specified in the Schedule III.

(8) Every broadcaster of pay channel, within thirty days of receipt of written request from a distributor of television channels, shall enter into a written interconnection agreement with the distributor of television channels for providing signals of its pay channel in accordance with the terms and conditions of the reference interconnection offer published by the broadcaster:

Provided that the 'broadcaster's share of maximum retail price' payable by a distributor of television channels under the interconnection agreement shall be calculated on the basis of the maximum retail price of pay channel or bouquet, the distribution fee and the discounts agreed in the interconnection agreement:

Provided further that the period of the interconnection agreement in no case shall be less than one year from the date of commencement of the agreement:

Provided also that in case more than one interconnection agreement are entered into with a distributor in respect of television channel or bouquet of pay channels, each subsequent interconnection agreement shall contain the details of the earlier agreements in force with that distributor for such channel or bouquet, as the case may be.

Explanation: For the removal of doubt, it is clarified that on receipt of a written request from a distributor by a broadcaster for obtaining signals of pay channels, the written interconnection agreement, between the broadcaster and the distributor, shall be entered into within thirty days of receipt of such request, and, the broadcaster shall provide signals of its pay channels, within thirty days from the date of signing of written interconnection agreement, to the distributor of television channels.

(9) It shall be permissible to a broadcaster to sign the interconnection agreement with distributors of television channels for a-la-carte pay channel or bouquet of pay channels of its subsidiary company or holding company or subsidiary company of the holding company, which has obtained, in its name, the downlinking permission for its television channels from the Central Government, after written authorization from such companies.

(10) It shall be permissible to a distributor of television channels to sign the reference interconnection offer published by a broadcaster under sub-regulation (1) of regulation 7, as an interconnection agreement, for obtaining signals of television channels and send the said agreement to the broadcaster for providing signals.

(11) A broadcaster shall not incorporate any provision, directly or indirectly, in its interconnection agreement with a distributor of television channels which require such distributor of television channels to include the channel or bouquet of pay channels offered by the broadcaster in any particular bouquet of channels offered by such distributor to the subscribers and any agreement to contrary shall be void.

(12) A broadcaster shall not incorporate any provision, directly or indirectly in its interconnection agreement with a distributor of television channels which requires such distributor of television channels to give a guarantee for a minimum subscriber base or a minimum subscription

percentage for the channels offered by the broadcaster and any agreement to contrary shall be void.

¹[*Explanation:* For removal of doubt, it is clarified that any discount, offered as an incentive by a broadcaster on the maximum retail price of the pay channel or the bouquet of pay channels, based on actual number of subscribers or actual subscription percentage, recorded in a month shall not amount to guarantee for a minimum subscriber base or a minimum subscription percentage for its channel.]

(13) It shall be the responsibility of every broadcaster who enters into an interconnection agreement with a distributor of television channels to hand over a copy of such interconnection agreement to that distributor of television channels within a period of fifteen days from the date of execution of the interconnection agreement and retain a copy of an acknowledgement so obtained from the distributor.

(14) Every broadcaster shall enter into a new written interconnection agreement with distributor of television channels before the expiry of the existing interconnection agreement:

Provided that the broadcaster shall, at least sixty days prior to the date of expiry of the existing interconnection agreement, give notice to the distributor of television channels to enter into new written interconnection agreement:

Provided further that in case the parties fail to enter into new interconnection agreement before the expiry of the existing interconnection agreement, the broadcaster shall not make the signals of television channels available to the distributor of television channels on expiry of the existing interconnection agreement:

¹ Subs. by the Fourth Amendment Regulations, 2022, reg. 3 (w.e.f. 23.11.2022), for the following:

“*Explanation:* For removal of doubt, it is clarified that any discount, offered as an incentive by a broadcaster on the maximum retail price of the pay channel ²[* * * *], based on actual number of subscribers or actual subscription percentage, recorded in a month shall not amount to guarantee for a minimum subscriber base or a minimum subscription percentage for its channel.”

² Del. the words “or the bouquet of pay channels” by the Second Amendment Regulations, 2020, reg. 5 (w.e.f. 15.01.2020).

Provided also that the distributor of television channels shall, fifteen days prior to the date of expiry of its existing interconnection agreement, inform the subscribers through scrolls on the channels included in the said agreement—

- (a) the date of expiry of its existing interconnection agreement; and
- (b) the date of disconnection of signals of television channels in the event of its failure to enter into new interconnection agreement.

(15) No distributor of television channels shall carry television channels, for which a request has been received from a broadcaster for distribution of television channels, without entering into a written interconnection agreement with such broadcaster.

(16) Every distributor of television channels shall devise an application form, for seeking access to its distribution network for distribution of television channels by broadcasters, in accordance with the Schedule IV.

(17) A broadcaster desirous of distribution of its television channel shall make a written request in the application form devised by the distributor of television channels.

(18) Every distributor of television channels, within thirty days of receipt of written request from a broadcaster for distribution of television channels, shall enter into a written interconnection agreement with the broadcaster for carrying television channels in accordance with the terms and conditions of the reference interconnection offer published by the distributor:

Provided that the carriage fee payable by a broadcaster to the distributor of television channels under the interconnection agreement shall be calculated on the basis of the rate of carriage fee and the discounts agreed in the interconnection agreement:

Provided further that the period of the interconnection agreement in no case shall be less than one year from the date of commencement of the agreement:

Provided also that in case more than one interconnection agreement are entered with a broadcaster in respect of a television channel, each subsequent interconnection agreement

shall contain the details of the earlier agreements in force with that broadcaster for such channel.

Explanation: For the removal of doubt, it is clarified that on receipt of a written request from a broadcaster by a distributor for carrying television channels, the written interconnection agreement, between the distributor and the broadcaster, shall be entered into within thirty days of receipt of such request and, the distributor shall distribute television channels of such broadcaster's within thirty days, from the date of signing of written interconnection agreement or from the date of availability of spare channel capacity on the distribution network, whichever is later, through the distribution network.

(19) It shall be permissible to a broadcaster to sign the reference interconnection offer published by a distributor of television channels under sub-regulation (1) of regulation 8, as an interconnection agreement, for carrying television channels and send the said agreement to such distributor for providing access to the distribution networks.

(20) It shall be the responsibility of every distributor of television channels who enters into an interconnection agreement with a broadcaster to hand over a copy of written interconnection agreement to that broadcaster within a period of fifteen days from the date of execution of the interconnection agreement and retain a copy of an acknowledgement so obtained from the broadcaster.

(21) Every distributor of television channels shall enter into a new written interconnection agreement, for carrying television channels requested by a broadcaster, before the expiry of the existing interconnection agreement:

Provided that the distributor of television channels shall, at least sixty days prior to the date of expiry of the existing interconnection agreement, give notice to the broadcaster to enter into new written interconnection agreement:

Provided further that in case the parties fail to enter into new interconnection agreement before the expiry of the existing interconnection agreement, the distributor of television channels may not carry such television channels on expiry of the existing interconnection agreement:

Provided further that a distributor of television channels shall not discontinue carrying a television channel if the signals of such television channel remain available for distribution and monthly subscription percentage for that particular television channel is more than twenty percent of the monthly average active subscriber base in the target market:

Provided also that if the distributor of television channels decides to discontinue carrying a television channel due to expiry of the existing interconnection agreement, it shall, fifteen days prior to the date of expiry of its existing interconnection agreement, inform the subscribers through scrolls on the channels included in the said agreement—

- (a) the date of expiry of its existing interconnection agreement; and
- (b) the date of disconnection of signals of television channels in the event of its failure to enter into new interconnection agreement.

11. Territory of interconnection agreement.— (1) The interconnection agreement signed between a broadcaster and a multi-system operator shall include the following details for describing the territory for the purpose of distribution of signals of television channels --

- (a) the registered area of operation of the multi-system operator as mentioned in the registration granted by the Central Government;
- (b) the names of specific areas for which distribution of signals of television channels has been agreed, initially, at the time of signing of the interconnection agreement; and
- (c) the names of the corresponding states/ union territories in which such agreed areas as referred in clause (b) of this sub-regulation are located.

(2) It shall be permissible to the multi-system operator to distribute the channels beyond the areas agreed under sub-regulation (1), by giving a written notice to the broadcaster, after thirty days from the date of receipt of such written notice by the broadcaster and the said notice shall deemed to be an addendum to the existing interconnection agreement:

Provided that such areas fall within--

- (a) the registered area of operation of the multi-system operator; and

(b) the states or union territories in which the multi-system operator has been permitted to distribute the signals of television channels under the interconnection agreement.

(3) Nothing contained in sub-regulation (2) shall apply if written objections with reasons from the broadcaster have been received by the multi-system operator during the said thirty days notice period:

Provided that any objection by the broadcaster, which is unreasonable, shall be deemed to constitute a denial of provisioning of signals beyond the areas agreed under the clause (b) of sub-regulation (1).

12. Interconnection agreement between distributor of television channels and local cable operator.— (1) No distributor of television channels shall provide signals of television channels to a local cable operator without entering into a written interconnection agreement with such local cable operator.

(2) No local cable operator shall distribution television channels of any broadcaster to any subscriber without entering into a written interconnection agreement with a distributor of such television channels.

(3) Every multi-system operator shall, within thirty days of receipt of written request from a local cable operator, enter into a written interconnection agreement with such local cable operator for providing signals of television channels, on lines of the model interconnection agreement as set out in the Schedule V 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 the model interconnection agreement, may add, through mutual agreement, clauses to the model interconnection agreement however such addition shall not 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, the multi-system operator and the local cable operator shall enter into the standard interconnection agreement as specified in the Schedule VI.

Explanation: For removal of doubt, it is clarified that in the event of any conflict between the terms and conditions of the 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.

(4) Every multi-system operator, upon entering into a written interconnection agreement with a local cable operator, shall provide signals of television channels, within thirty days of entering into the written interconnection agreement, to such local cable operator.

(5) It shall be the responsibility of every multi-system operator who enters into an interconnection agreement with a local cable operator to handover a copy of such agreement to that local cable operator within a period of fifteen days from the date of execution of the agreement and retain a copy of an acknowledgement so received from the local cable operator.

(6) Every multi-system operator shall enter into a new written interconnection agreement with local cable operator before the expiry of the existing interconnection agreement:

Provided that the multi-system operator shall, at least sixty days prior to the date of expiry of the existing interconnection agreement, give notice to the local cable operator to enter into new written interconnection agreement:

Provided further that in case, the parties fail to enter into new written interconnection agreement before the expiry of the existing interconnection agreement, the distributor shall not make available the signals of television channels to the local cable operator on expiry of the existing interconnection agreement:

Provided also that the multi-system operator shall, fifteen days prior to the date of expiry of its existing interconnection agreement, inform the subscribers through scrolls on the channels included in the said agreement—

- (a) the date of expiry of its existing interconnection agreement; and
- (b) the date of disconnection of signals of television channels in the event of its failure to enter into new interconnection agreement.

(7) The settlement of service charges between local cable operator and multi-system operator shall be governed by mutual agreement:

Provided that in cases the multi-system operator and the local cable operator fail to arrive at a mutual agreement for settlement of service charges, then the network capacity fee amount and the distribution fee amount shall be shared in the ratio of 55:45 between multi-system operator and local cable operator.

(8) The provisions of sub-regulations (3), (4), (5), (6) and (7) of this regulation shall, with necessary adaptations and modifications, apply to HITS operator and IPTV operator.

13. Non-Applicability to DTH operator.— Nothing contained in the regulations 11 and 12 shall apply to a DTH operator.

CHAPTER V
SUBSCRIPTION REPORT AND AUDIT

14. Subscription report and monthly fee.— (1) Every distributor of television channels shall, within seven days from the end of each calendar month, provide, in the format specified in the Schedule VII, complete and accurate monthly subscription report of channels and bouquets of pay channels, to the broadcasters, with whom the written interconnection agreements have been entered into for distribution of channels:

Provided that it shall be permissible to a broadcaster to disconnect the signals of its television channel after giving written notice of three weeks to the distributor if the distributor fails to provide the monthly subscription report under this regulation.

(2) On the basis of monthly subscription report, the broadcaster shall issue monthly invoice to the distributor for 'broadcaster's share of maximum retail price' payable by such distributor to the broadcaster and such invoice shall clearly specify the current payment dues and arrears, if any, along with the due date for payment:

Provided that the broadcaster shall allow a time period of at least fifteen days to the distributor of television channels for making payment from the date of receipt of invoice by the distributor:

Provided further that in case the distributor fails to provide the monthly subscription report within the period of seven days from the end of the calendar month, the broadcaster shall have the right to raise a provisional invoice, for an amount increased by ten percent of the 'broadcaster's share of maximum retail price' payable by the distributor to the broadcaster for the immediate preceding month, and the distributor shall be under obligation to make the payment on the basis of such provisional invoice:

Provided also that it shall be mandatory for the broadcaster and the distributor to carryout reconciliation, between the provisional invoice and the final invoice raised by the broadcaster on the basis of the monthly subscription report sent by the distributor, within three months from the date of issue of such provisional invoice.

(3) Every distributor of television channels shall issue monthly invoice to the broadcasters, with whom the written interconnection agreements have been entered into for carrying channels, for payment of the carriage fee payable by such broadcaster along with the average active subscriber base in the target market in the month and the monthly subscription report for the channel of the broadcaster carried by the distributor of television channels in the format specified in the Schedule VII and such invoices shall clearly specify the current payment dues and arrears, if any, along with the due date for payment:

Provided that the distributor shall allow a time period of at least fifteen days to the broadcaster for making payment from the date of receipt of invoice by the broadcaster.

15. Audit.— (1) Every distributor of television channels shall, once in a calendar year, cause audit of its subscriber management system, conditional access system and other related systems by an auditor to verify that the monthly subscription reports made available by the distributor to the broadcasters are complete, true and correct, and issue an audit report to this effect to each broadcaster with whom it has entered into an interconnection agreement:

¹[Provided that the Authority may empanel auditors for the purpose of such audit and it shall be mandatory for every distributor of television channels to cause audit, under this sub-regulation, from M/s Broadcast Engineering Consultants India limited, or any of such empanelled auditors:]

Provided further that any variation, due to audit, resulting in less than zero point five percent of the billed amount shall not require any revision of the invoices already issued and paid.

²[(1A) If any distributor fails to cause audit once in a calendar year of its subscriber management system, conditional access system and other related systems, as specified under sub-regulation (1), it shall, without prejudice to the terms and conditions of its license or permission or registration,

¹ Subs. by the First Amendment Regulations, 2019 reg. 2(a) (w.e.f. 30.10.2019) for the following:

“Provided that the Authority may empanel auditors for the purpose of such audit and it shall be mandatory for every distributor of television channels to cause audit, under this sub-regulation, from anyone of such empanelled auditors:”

² Ins. by the First Amendment Regulations, 2019, reg. 2(b) (w.e.f. 30.10.2019)

or the Act or rules or regulations or order made or direction issued thereunder, be liable to pay, by way of financial disincentive, an amount of rupees one thousand per day for default up to thirty days beyond the due date and an additional amount of rupees two thousand per day in case the default continues beyond thirty days from the due date, as the Authority may, by order, direct:

Provided that the financial disincentive levied by the Authority under this sub-regulation shall in no case exceed rupees two lakhs:

Provided further that no order for payment of any amount by way of financial disincentive shall be made by the Authority unless the distributor, has been given a reasonable opportunity of representation against the contravention of the regulations observed by the Authority.]

(2) In cases, where a broadcaster is not satisfied with the audit report received under sub-regulation (1) or, if in the opinion of a broadcaster the addressable system being used by the distributor does not meet requirements specified in the Schedule III, it shall be permissible to the broadcaster, after communicating the reasons in writing to the distributor, to audit the subscriber management system, conditional access system and other related systems of the distributor of television channels, not more than once in a calendar year:

¹[Provided that the Authority may empanel auditors for the purpose of such audit and it shall be mandatory for every broadcaster to cause audit, under this sub-regulation, from M/s Broadcast Engineering Consultants India limited, or any of such empanelled auditors:]

Provided further that if such audit reveals that additional amount is payable to the broadcaster, the distributor shall pay such amount, along with the interest at the rate specified by the broadcaster in the interconnection agreement, within ten days and if such amount including interest due for any period exceed the amount reported by the distributor to be due for such period by two percent or more, the distributor shall bear the audit expenses, and take necessary actions to avoid occurrence of such errors in the future:

¹ Subs. by the First Amendment Regulations, 2019 reg. 2 (c) (w.e.f. 30.10.2019), for the following:
“Provided that the Authority may empanel auditors for the purpose of such audit and it shall be mandatory for every broadcaster to cause audit, under this sub-regulation, from anyone of such empanelled auditors:”

Provided also that it shall be permissible to the broadcaster to disconnect signals of television channels, after giving written notice of three weeks to the distributor, if such audit reveals that the addressable system being used by the distributor does not meet the requirements specified in the Schedule III.

(3) Every distributor of television channels shall offer necessary assistance to auditors so that audits can be completed in a time bound manner.

CHAPTER VI
MISCELLANEOUS

16. Change in the maximum retail price and the nature of a channel.— Every broadcaster, before making any change, in the maximum retail price of the pay channel or the bouquet of pay channels, or in the nature of the channel, as the case may be, declared under the tariff order notified by the Authority, shall follow the provisions of these regulations including but not limited to the provisions pertaining to publication of reference interconnection offer by broadcasters of pay channels.

17. Disconnection of signals of television channels.— No service provider shall disconnect the signals of television channels without giving at least three weeks' notice in writing to other service provider, clearly specifying the reasons for the proposed disconnection:

Provided that the period of three weeks' notice shall start from the date of receiving the notice by the other service provider:

Provided further that the distributor of television channels shall, fifteen days prior to the date of disconnection, inform the subscriber, through scrolls on the channels proposed to be disconnected, the date of disconnection of signals of such television channels:

Provided also that no service provider shall display notice for disconnection of signals of television channels in form of static images overlaid on the television screen, obstructing normal viewing of the subscribers.

18. Listing of channels in electronic programme guide.— (1) Every broadcaster shall declare the genre of its channels and such genre shall be either 'Devotional' or 'General Entertainment' or 'Infotainment' or 'Kids' or 'Movies' or 'Music' or 'News and Current Affairs' or 'Sports' or 'Miscellaneous'.

¹[(2) It shall be mandatory for the distributor to place all the television channels available on its platform in the electronic programme guide, in such a manner that all the television channels of a particular language in a genre are displayed together consecutively and one television channel shall appear at one place only.]

(3) Every distributor of television channels shall assign a unique channel number for each television channel available on the distribution network.

(4) The channel number once assigned to a particular television channel shall not be altered by the distributor ²[without prior approval of the Authority]:

Provided that this sub-regulation shall not apply in case the channel becomes unavailable on the distribution network:

³[Provided further that if a broadcaster changes the genre or language of a channel then the channel number assigned to that particular television channel shall be changed in order to place such channel with the channels of the new genre or language in the electronic program guide.]

19. Details of service providers.— (1) The Authority may, in order to protect the interest of the consumer or service provider or to promote and ensure orderly growth of the broadcasting and cable television sector or for monitoring and ensuring compliance of these regulations, by order or direction, specify website for the purpose of reporting of the details by service providers.

¹ Subs. by the Second Amendment Regulations, 2020, reg. 6(a) (w.e.f. 01.03.2020), for the following:

(2) It shall be mandatory for the distributor to place channels in the electronic programme guide, in such a way that the television channels of same genre, as declared by the broadcasters, are placed together consecutively and one channel shall appear at one place only:

Provided that all television channels of same language within the same genre shall appear together consecutively in the electronic programme guide:

Provided further that it shall be permissible to the distributor to place a channel under sub-genre within the genre declared for the channel by the broadcaster.”

² Subs. by the Second Amendment Regulations, 2020, reg. 6(b) (w.e.f. 01.03.2020), for the following:

“for a period of at least one year from the date of such assignment”

This has been set aside by the Hon'ble High Court of Kerala, vide its judgement dated 12.07.2021 passed in WP (C) No. 2879 of 2020 titled as “AIDCF & Anr. Vs. TRAI”

³ Subs. by the Second Amendment Regulations, 2020, reg. 6(c) (w.e.f. 01.03.2020), for the following:

“Provided further that if a broadcaster changes the genre of a channel then the channel number assigned to that particular television channel shall be changed to place such channel together with the channels of new genre in the electronic program guide.”

(2) Every service provider shall report, its name, address, contact number, e-mail address and license/ permission/ registration details issued by the Central Government on the website specified by the Authority, within thirty days from the date of commencement of these regulations or within thirty days from the specification of website for the purpose, whichever is later.

(3) Any service provider, who commences its operations after coming into effect of these regulations shall report, its name, address, contact number, e-mail address and license/ permission/ registration details issued by the Central Government on the website specified by the Authority, within thirty days from the date of commencement of its operations or within thirty days from the specification of website for the purpose, whichever is later.

(4) It shall be mandatory for a service provider to verify, from the website specified by the Authority, that the service provider seeking interconnection for providing signals of television channels or access to the network, as the case may be, has reported its details under sub-regulation (2) and sub-regulation (3):

Provided that this sub-regulation shall be applicable in the event of the Authority specifying such website.

20. Designation of compliance officer and his obligations.— (1) Every broadcaster and distributor of television channels shall, within thirty days from the date of commencement of these regulations, designate a compliance officer.

(2) Every broadcaster and distributor of television channels, who commences its operations after coming into effect of these regulations, shall, within thirty days from the date of commencement of its operations, designate a compliance officer.

(3) Every broadcaster or distributor of television channels, as the case may be, shall, within thirty days from the date of designation of the compliance officer under the provisions of this regulation, furnish to the Authority the name, complete address, contact number and e-mail address of the compliance officer along with authenticated copy of the board's resolution authorizing the designation of such compliance officer:

Provided that the distributor of television channels, which is not a company, shall, within thirty days from the date of designation of the compliance officer under the provisions of this regulation, furnish to the Authority the name, full address, contact number and e-mail address of the compliance officer along with authenticated copy of the authorization letter authorizing the designation of such compliance officer.

(4) In the event of any change in the name of the compliance officer so designated under provisions of this regulation, the same shall be reported to the Authority by the service provider within thirty days from the date of occurrence of such change along with authenticated copy of the board's resolution or authorization letter, as the case may be.

(5) In the event of any change in the address or contact number or email address of the compliance officer, the same shall be reported to the Authority by the service provider within ten days from the date of occurrence of such change.

(6) The compliance officer shall be responsible for—

- (a) generating awareness for ensuring compliance with the provisions of these regulations;
- (b) reporting to the Authority, with respect to compliance with these regulations and directions of the Authority issued under these regulations; and
- (c) ensuring that proper procedures have been established and are being followed for compliance of these regulations.

(7) The provisions contained in the sub-regulation (6) shall be in addition to the liability of the service provider to comply with the requirements laid down under these regulations.

21. Intervention by the Authority.— The Authority may, in order to protect the interest of the consumer or service provider or to promote and ensure orderly growth of the broadcasting and cable television sector or for monitoring and ensuring compliance of these regulations, by order or direction, intervene, from time to time.

22. Repeal and saving.— (1) The Telecommunication (Broadcasting and Cable Services) Interconnection (Digital Addressable Cable Television Systems) Regulations, 2012 are hereby repealed.

(2) The Telecommunication (Broadcasting and Cable Services) Interconnection Regulation, 2004, to the extent they are applicable to addressable systems, are hereby repealed.

(3) Notwithstanding the repeal of regulations mentioned, under sub-regulation (1) and sub-regulation (2) of this regulation, anything done or any action taken or proposed to have been done under the said regulations shall be deemed to have been done or taken under the corresponding provision of these regulations.

(Sudhir Gupta)
Secretary TRAI

Note.—The Explanatory Memorandum explains the objects and reasons of the Telecommunication (Broadcasting and Cable) Services Interconnection (Addressable Systems) Regulations, 2017.

Schedule I

(Refer sub-regulation (2) of the regulation 8)

Calculation of the carriage fee amount

The carriage fee amount, for each month or part thereof, during the term of the interconnection agreement shall be calculated as given below:-

Sl.	Calculation of the carriage fee amount
1	If monthly subscription for a channel in the target market is less than five percent of the average active subscriber base of the distributor in that month in the target market, then the carriage fee amount shall be equal to the rate of carriage fee per channel per subscriber per month, as agreed under the interconnection agreement, multiplied by the average active subscriber base of the distributor in that month in the target market.
2	If monthly subscription for a channel in the target market is greater than or equal to five percent but less than ten percent of the average active subscriber base of the distributor in that month in the target market, then the carriage fee amount shall be equal to the rate of carriage fee per channel per subscriber per month, as agreed under the interconnection agreement, multiplied by 0.75 times of the average active subscriber base of the distributor in that month in the target market.
3	If monthly subscription for a channel in the target market is greater than or equal to ten percent but less than fifteen percent of the average active subscriber base of the distributor in that month in the target market, then the carriage fee amount shall be equal to the rate of carriage fee per channel per subscriber per month, as agreed under the interconnection agreement, multiplied by 0.5 times of the average active subscriber base of the distributor in that month in the target market.
4	If monthly subscription for a channel in the target market is greater than or equal to fifteen percent but less than twenty percent of the average active subscriber base of the distributor in that month in the target market, then the carriage fee amount shall be equal to the rate of carriage fee per channel per subscriber per month, as agreed under the interconnection agreement, multiplied by 0.25 times of the average active subscriber base of the distributor in that month in the target market.
5	If monthly subscription for a channel in the target market is greater than or equal to twenty percent of the average active subscriber base of the distributor in that month in the target market, then the carriage fee amount shall be equal to 'Nil'.

Note:- (1) For the purpose of calculation of carriage fee amount for a high definition channel, the average active subscriber base of the distributor in that month in the target market shall be of subscribers capable of receiving high definition television channels.

(2) The average active subscriber base of the distributor in a month shall be calculated in the manner as prescribed in the Schedule VII.

(3) The monthly subscription for a channel shall be calculated in the manner as prescribed in the Schedule VII.

(4) The Illustration-I (for standard definition channel) and Illustration-II (for high definition channels) given below explains the calculation of carriage fee amount:-

ILLUSTRATION-I

Suppose a distributor of television channels has an agreement with a broadcaster for carriage of a standard definition channel called 'X' at the rate of Rs. 0.20 per subscriber per month. The carriage fee amount payable by the broadcaster to the distributor would be calculated as follows:-

Month	Average Active Subscriber Base over the month	Monthly subscription percentage of the standard definition Channel 'X'	Rate of Carriage Fee (in Paisa)	Multiplier	Carriage Fee Amount in (Rs.)
(A)	(B)	(C)	(D)	(E)	(F)=(B)x(D)x(E)
January	1000	4%	20	1	200.00
February	800	8%	20	0.75	120.00
March	1500	12%	20	0.50	150.00
April	2000	19%	20	0.25	100.00
May	3000	20%	20	0	0.00
June	4000	22%	20	0	0.00
July	10000	17%	20	0.25	500.00
August	20000	25%	20	0	0.00

ILLUSTRATION-II

Suppose a distributor of television channels has an agreement with a broadcaster for carriage of a high definition channel called 'Y' at a rate of Rs. 0.40 per subscriber per month then the carriage fee amount payable by the broadcaster to the distributor would be calculated as follows:-

Month	Average Active Subscriber Base, of high definition STBs, over the month	Monthly subscription percentage of the high definition Channel 'Y'	Rate of Carriage Fee (in paisa)	Multiplier	Carriage Fee Amount in (Rs.)
(A)	(B)	(C)	(D)	(E)	(F)=(B)x(D)x(E)
January	100	2%	40	1	40.00
February	80	5%	40	0.75	24.00
March	150	11%	40	0.50	30.00
April	160	16%	40	0.25	16.00
May	180	20%	40	0	0.00
June	200	22%	40	0	0.00

July	190	17%	40	0.25	19.00
August	170	25%	40	0	0.00

Schedule II

(Refer sub-regulation (4) of the regulation 10)

Application form for request of signals of television channels

1. Name of the distributor of television channels:
2. The names of Owners/Directors/Partners of the distributor:
3. Registered Office address:
4. Address for communication:
5. Name of the contact person/ Authorized Representative:
6. Telephone:
7. Email address:
8. Copy of certificate of registration/ permission/ license (Attach a Copy):
9. Details of Head-end, Conditional Access Systems (CAS) and Subscriber Management Systems (SMS) deployed by the distributor:
10. Details of the areas, corresponding States/ UTs and details of the Head-end from which the signals of television channels shall be distributed in such areas:
11. Area wise present subscriber base of the distributor:
12. List of channels and bouquets for which signals of television channels are requested:
13. Service Tax registration number:
14. Entertainment Tax Number:
15. PAN No. (Attach a copy):
16. Are the CAS/ SMS in compliance with the regulations: YES / NO
17. Copy of the report of the Auditor in compliance of the Schedule III of the Telecommunication (Broadcasting and Cable) Services Interconnection (Addressable System) Regulations 2017, if available:

(Signature)
Date and Place

DECLARATION

I _____ s/o, d/o _____, _____ (Owner/Proprietor/Partner /Director/ Authorized Signatory), of _____ (Name of Distributor of television channels), do

hereby declare that the details provided above are true and correct. I state that the addressable systems installed for distribution of television channels meet the technical and other requirements specified in the Schedule III of the Telecommunication (Broadcasting and Cable) Services Interconnection (Addressable System) Regulations 2017. The configuration and the version of the addressable system have not been changed after issuance of the report by the Auditor.

(Signature)

Date and Place

Scope and Scheduling of Audit

- (A) Scope: The annual Audit caused by Distributor shall include the Audit to validate compliance with this Schedule and the Subscription Audit, as provided for in these regulations.
- (B) Scheduling: The annual Audit as caused by Distributor under regulation 15 (1) shall be scheduled in such a manner that there is a gap of at-least six months between the audits of two consecutive calendar years. Further, there should not be a gap of more than 18 months between audits of two consecutive calendar years.

Addressable Systems Requirements

(C) Conditional Access System (CAS) and Subscriber Management System (SMS):

1. The distributor of television channels shall ensure that the current version of the CAS, in use, do not have any history of hacking.
Explanation: A written declaration available with the distributor from the CAS vendor, in this regard, shall be construed as compliance of this requirement.
2. The SMS shall be independently capable of generating, recording, and maintaining logs, for the period of at least immediate preceding two consecutive years, corresponding to each command executed in the SMS including but not limited to activation and deactivation commands.
3. It shall not be possible to alter the data and logs recorded in the CAS and the SMS.
4. The distributor of television channels shall validate that the CAS, in use, do not have facility to activate and deactivate a Set Top Box (STB) directly from the CAS terminal. All activation and deactivation of STBs shall be done with the commands of the SMS.
5. The SMS and the CAS should be integrated in such a manner that activation and deactivation of STB happen simultaneously in both the systems.
Explanation: Necessary and sufficient methods shall be put in place so that each activation and deactivation of STBs is reflected in the reports generated from the SMS and the CAS terminals.
6. The distributor of television channels shall validate that the CAS has the capability of upgrading STBs over-the-air (OTA), so that the connected STBs can be upgraded.
7. The fingerprinting should not get invalidated by use of any device or software.
8. The CAS and the SMS should be able to activate or deactivate services or STBs of at least Five percent (5%) of the subscriber base of the distributor within 24 hours.
9. The STB and Viewing Card (VC) shall be paired from the SMS to ensure security of the channel.
10. The CAS and SMS should be capable of individually addressing subscribers, for the purpose of generating the reports, on channel by channel and STB by STB basis.
11. The SMS should be computerized and capable of recording the vital information and data concerning the subscribers such as:
 - (a) Unique customer identification (ID)
 - (b) Subscription contract number
 - (c) Name of the subscriber

¹ Subs. by the First Amendment Regulations, 2019, reg. 3 (w.e.f. 30.10.2019)

- (d) Billing address
 - (e) Installation address
 - (f) Landline telephone number
 - (g) Mobile telephone number
 - (h) E-mail address
 - (i) Channels, bouquets and services subscribed
 - (j) Unique STB number
 - (k) Unique VC number.
12. The SMS should be capable of:
- (a) Viewing and printing of historical data in terms of the activations and the deactivations of STBs.
 - (b) Locating each and every STB and VC installed.
 - (c) Generating historical data of changes in the subscriptions for each subscriber and the corresponding source of requests made by the subscriber.
13. The SMS should be capable of generating reports, at any desired time about:
- (a) The total number of registered subscribers.
 - (b) The total number of active subscribers.
 - (c) The total number of temporary suspended subscribers.
 - (d) The total number of deactivated subscribers.
 - (e) List of blacklisted STBs in the system.
 - (f) Channel and bouquet wise monthly subscription report in the prescribed format.
 - (g) The names of the channels forming part of each bouquet.
 - (h) The total number of active subscribers subscribing to a particular channel or bouquet at a given time.
 - (i) The name of a-la carte channel and bouquet subscribed by a subscriber.
 - (j) The ageing report for subscription of a particular channel or bouquet.
14. The CAS shall be independently capable of generating, recording, and maintaining logs, for the period of at least immediate preceding two consecutive years, corresponding to each command executed in the CAS including but not limited to activation and deactivation commands issued by the SMS.
15. The CAS shall be able to tag and blacklist VC numbers and STB numbers that have been involved in piracy in the past to ensure that such VC or the STB cannot be re-deployed.
16. It shall be possible to generate the following reports from the logs of the CAS:
- (a) STB-VC Pairing / De-Pairing
 - (b) STB Activation / De-activation
 - (c) Channels Assignment to STB
 - (d) Report of the activations or the deactivations of a particular channel for a given period.
17. The SMS shall be capable of generating bills for each subscriber with itemized details such as the number of channels subscribed, the network capacity fee for the channels subscribed, the rental amount for the customer premises equipment, charges for pay channel and bouquet of pay channels along with the list and retail price of corresponding pay channels and bouquet of pay channels, taxes etc.
18. The distributor shall ensure that the CAS and SMS vendors have the technical capability in India to maintain the systems on 24x7 basis throughout the year.
19. The distributor of television channels shall declare the details of the CAS and the SMS deployed for distribution of channels. In case of deployment of any additional CAS/ SMS, the same should be notified to the broadcasters by the distributor.

20. Upon deactivation of any subscriber from the SMS, all programme/ services shall be denied to that subscriber.
21. The distributor of television channels shall preserve unedited data of the CAS and the SMS for at least two years.

(D) Fingerprinting: -

1. The distributor of television channels shall ensure that it has systems, processes and controls in place to run finger printing at regular intervals.
2. The STB should support both visible and covert types of finger printing. Provided that only the STB deployed after coming into effect of these Amendment regulations shall support the covert finger printing.
3. The fingerprinting should not get invalidated by use of any device or software.
4. The finger printing should not be removable by pressing any key on the remote of STB.
5. The finger printing should be on the top most layer of the video.
6. The finger printing should be such that it can identify the unique STB number or the unique VC number.
7. The finger printing should appear on the screens in all scenarios, such as menu, Electronic Programme Guide (EPG), Settings, blank screen, and games etc.
8. The location, font colour and background colour of fingerprint should be changeable from head end and should be random on the viewing device.
9. The finger printing should be able to give the numbers of characters as to identify the unique STB and/or the VC.
10. The finger printing should be possible on global as well as on the individual STB basis.
11. The overt finger printing should be displayed by the distributor of television channels without any alteration with regard to the time, location, duration and frequency.
12. Scroll messaging should be only available in the lower part of the screen.
13. The STB should have a provision that finger printing is never disabled.
14. The watermarking network logo for all pay channels shall be inserted at encoder end only. Provided that only the encoders deployed after coming into effect of these Amendment regulations shall support watermarking network logo for all pay channels at the encoder end.

(E) Set Top Box (STB): -

1. All STBs should have a Conditional Access System.
2. The STB should be capable of decrypting the Conditional Access messages inserted by the Head-end
3. The STB should be capable of doing finger printing. The STB should support both Entitlement Control Message (ECM) and Entitlement Management Message (EMM) based fingerprinting.
4. The STB should be individually addressable from the Head-end.
5. The STB should be able to receive messages from the Head-end.
6. The messaging character length should be minimal 120 characters.
7. There should be provision for global messaging, group messaging and the individual STB messaging.
8. The STB should have forced messaging capability including forced finger printing display.
9. The STB must be compliant to the applicable Bureau of Indian Standards.
10. The STBs should be addressable over the air to facilitate OTA software upgrade.

11. The STBs with facilities for recording the programs shall have a copy protection system.]

Schedule IV

(Refer sub-regulation (16) of the regulation 10)

Application form for access to the network for distribution of a television channel

1. Name of the broadcaster:
2. The names of CEO/MD of the broadcaster:
3. Registered Office address:
4. Address for communication:
5. Name of the contact person/ Authorized Representative:
6. Telephone:
7. Email address:
8. Name of channel for which request for distribution has been made:
9. Copy of permission letter issued by the ministry of information and broadcasting for downlinking of the channels mentioned above in India:
10. Nature of channel (pay or free- to- air)
11. Genre of channel:
12. Language(s) of channel:
13. Downlinking parameters of the channel:
 - a. Name of satellite:
 - b. Orbital location:
 - c. Polarisation:
 - d. Downlinking frequency:
14. Modulation/coding and compression standard of channel:
15. Encryption of channel: encrypted/unencrypted

(Signature)
Date and Place:

DECLARATION

I _____s/o, d/o_____, _____ (Authorized Signatory), of _____ (Name of the broadcaster), do hereby declare that the details provided above are true and correct.

(Signature)
Date and Place:

Schedule V

(Refer sub-regulation (3) of the regulation 12)

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 and 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 distribution 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 distribution 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 distribute 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 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 distribution 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 consumer friendly electronic payment options in the subscriber management system for the electronic payment of bills by the subscribers, prepaid system for subscribers and facility for acknowledgments/receipts to the subscribers for the payments made by them.

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 of the MSO or the LCO as mutually agreed by the Parties - fill the cell accordingly	Remarks
(1)	(2)	(3)	(4)
1	Devising of Consumer Application Form, either in electronic format or print format or both, for initial subscription to broadcasting services containing the information as provided in the Schedule I of the QoS regulations.		
2	a. Provide information to consumers about the details of services at the time of every new connection as per the QoS regulations. b. Providing information to the subscriber about the details of STB schemes offered and the warranty/ repairing policy applicable thereof.		
3	Provisioning of broadcasting services to the consumer upon obtaining duly filled Consumer Application Form and providing		The Party who has been assigned this responsibility shall update the information in the Subscriber Management

	a copy of the same to the consumer as per the QoS regulations.		System (SMS) in each case within 24 hours from the receipt of the application.
4	Assigning a unique identification number (UIN) to every subscriber and communicating the same to the consumer as per the provisions of the QoS regulations.		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.
5	Activation of broadcasting services to the subscribers.		(1) Activation shall be done only after only after the details of Consumer Application Form have been entered into the SMS. (2) In case the responsibility is assigned to the LCO then the MSO should provide relevant access to SMS for activation of broadcasting services.
6	Activation of requested channel(s) or bouquet(s) available on the platform, upon receiving a verifiable request from a subscriber as per the provisions of the QoS regulations.		
7	Deactivation of requested channel(s) and bouquet(s) from the subscription package of subscriber upon receiving a verifiable request from the subscriber, as per the provisions of the QoS regulations.		

8	Temporary suspension of the broadcasting services of a subscriber upon receiving a request from the subscriber as per the provisions of the QoS regulations.		
9	Restoration of services of a subscriber, upon request from the subscriber as per the provisions of the QoS regulations.		
10	Relocation of connection of a subscriber from one location to another location, upon the request for the same as per the provisions of QoS regulations.		
11	Providing notice to the subscribers regarding interruption of signals for preventive maintenance as specified in QoS Regulations.		
12	Disconnection of broadcasting services to a subscriber upon request from the subscriber and refunding of deposits subject to fulfilment of the terms and conditions provided in the QoS regulations.		
13	Offering broadcasting services to the subscribers either on pre-paid basis or post-paid basis or both as provided in the QoS regulations.		
14	Changing payment mechanism		

	from pre-paid to post-paid or vice-versa, as the case may be, on the request made by the subscriber.		
15	Generation of post-paid bills for subscribers as per the QoS regulations.		
16	Delivery of post-paid bills to subscribers as per the QoS regulations.		
17	Issuance and delivery of receipts to post-paid subscribers for manual payments made by them and entering the details of the receipts in the subscriber management system as per the QoS regulations.		
18	Acknowledging pre-paid payments to the subscriber and updating the subscriber management system accordingly.		
19	Providing set top boxes to the subscribers conforming to the standards prescribed in the QoS regulations.		
20	Offering different schemes for the STB as per the QoS regulations.		
21	Offering annual maintenance scheme for the Customer Premises Equipment provided under outright purchase scheme		

	after the expiry of guarantee/warranty period as per the QoS regulations		
22	Repairing of a malfunctioning set top box as per the QoS regulations.		
23	Publicizing toll free consumer care number and address of the web based complaint management system to the subscribers through customer care channel and website, as provided in the QoS Regulations.		
24	Providing copies of Manual of Practice (MoP) to subscribers as specified in QoS regulations.		The MSO shall finalize the contents of MOP. Copies of such MoP shall be shared with the LCO.
25	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 settlement of charges between the LCO and the distributor shall be in the following manner:-

- (a) network capacity fee amount shall be shared in the ratio of __: __ between multi system operator and local cable operator respectively.
- (b) the distribution fee amount shall be shared in the ratio of __: __ between multi system operator and local cable operator respectively.

Note:-

- (1) *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.*
- (2) *Network capacity fee amount and the distribution fee shall have the same meaning as defined in the Interconnection Regulations and Tariff Order.*

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 and 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 of 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 injection 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);
- (b) “addressable system” shall have the same meaning as assigned to it in the Telecommunication (Broadcasting and Cable) Services Interconnection (Addressable Systems) Regulations, 2017;
- (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 (24 of 1997);
- (d) “basic service tier” means a bouquet of free to air channels as referred to 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 and all its grammatical variations and cognate expressions shall be construed accordingly;
- (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, downlinking permission for its channels, from the Central Government, is providing programming services;
- (g) “cable service” or “cable TV service” means the transmission of programmes including re-transmission of signals of television channels through cables;
- (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) “customer care centre” means a department or a section or a facility established under QoS regulations;
- (j) “CTN Act” means the Cable Television Networks (Regulation) Act, 1995 (7 of 1995);
- (k) “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;

- (l) "free-to-air channel" shall have the same meaning as assigned to it in the Tariff Order;
- (m) "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;
- (n) "head-end" 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;
- (o) "Interconnection Regulation" means the Telecommunication (Broadcasting and Cable) Services Interconnection (Addressable Systems) Regulations, 2017;
- (p) "Manual of Practice (MoP)" means the Manual of Practice as referred to in the QoS Regulation;
- (q) "pay channel" shall have the same meaning as assigned to it in the Tariff Order;
- (r) "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;
- (s) "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;

- (t) "QoS Regulation" means the Telecommunication (Broadcasting and Cable) Services Standards of Quality of Service and Consumer Protection (Addressable Systems) Regulations, 2017;
- (u) "set top box" means a device, which is connected to or is part of a television receiver and which enables a subscriber to view subscribed channels;

- (v) “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.
- (w) “subscriber” for the purpose of these regulations, means a person who receives broadcasting services, from a distributor of television channels, at a place indicated by such person without further transmitting it to any other person and who does not cause the signals of television channels to be heard or seen by any person for a specific sum of money to be paid by such person, and each set top box located at such place, for receiving the subscribed broadcasting services, shall constitute one subscriber;
- (x) “subscriber management system” 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 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;
- (y) “Tariff Order” means the Telecommunication (Broadcasting and Cable) Services (Eighth) (Addressable Systems) Tariff Order, 2017;
- (z) “trunk line” means the coaxial/optic fibre 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 there under or the CTN Act and the rules and regulations made there under, 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 VI

(Refer second proviso to sub-regulation (3) of regulation 12)

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:-

- (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 and 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 distribution 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 distribution 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 distribute 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 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 distribution 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 consumer friendly electronic payment options in the subscriber management system for the electronic payment of bills by the subscribers, prepaid system for subscribers and facility for acknowledgments/receipts to the subscribers for the payments made by them.

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 distribution 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 of the MSO or the LCO	Remarks
(1)	(2)	(3)	(4)
1	Devising of Consumer Application Form, either in electronic format or print format or both, for initial subscription to broadcasting services containing the information as provided in the Schedule I of the QoS regulations.	MSO	
2	<p>a. Provide information to consumers about the details of services at the time of every new connection as per the QoS regulations.</p> <p>b. Providing information to the subscriber about the details of offered STB schemes and the warranty/ repairing policy applicable thereof.</p>	LCO	The MSO shall communicate to the LCO the details of services and STB Schemes along with repairing/ warrantee policy for onward communication to subscribers.
3	Provisioning of broadcasting services to the consumer upon obtaining duly filled Consumer Application Form and providing a copy of the same to the consumer as per the QoS regulations.	LCO	The LCO shall update the information in the subscriber management systems in each case within 24 hours from receipt of the application
4	Assigning a unique identification number (UIN) to every subscriber and communicating the same to the consumer as per the provisions of the QoS regulations.	LCO	The UIN shall be generated from the SMS. The relevant access of the SMS should be provided by the MSO to the LCO.
5	Activation of broadcasting services to	LCO	(1) Activation shall be done

	the subscribers.		only after only after the details of Consumer Application Form have been entered into the SMS. (2) The MSO should provide relevant access to SMS for activation of broadcasting services.
6	Activation of requested channel(s) or bouquet(s) available on the platform, upon receiving a verifiable request from a subscriber as per the provisions of the QoS regulations.	LCO	Activation shall be done only through SMS.
7	Deactivation of requested channel(s) and bouquet(s) from the subscription package of subscriber upon receiving a verifiable request from the subscriber, subscriber as per the provisions of the QoS regulations.	LCO	Deactivation shall be done only through SMS.
8	Temporary suspension of broadcasting services of a subscriber upon receiving a request from the subscriber as per the provisions of the QoS regulations.	LCO	Temporary suspension shall be done only through SMS.
9	Restoration of services of a subscriber, upon request from the subscriber as per the provisions of the QoS regulations.	LCO	Restoration of services shall be done only through SMS.
10	Relocation of connection of a subscriber from one location to another location, upon the request for the same as per the provisions of QoS regulations.	LCO	The LCO shall update the information in the subscriber management system immediately
11	Providing notice to the subscribers	MSO	If preventive maintenance is to

	regarding interruption of signals for preventive maintenance as specified in QoS Regulations.		be carried out by the LCO then he shall inform the MSO to enable him to give notice to the subscribers
12	Disconnection of broadcasting services to a subscriber upon request from the subscriber and refunding of deposits subject to fulfilment of the terms and conditions provided in the QoS regulations.	MSO	
13	Offering broadcasting services to the subscribers either on pre-paid basis or post-paid basis or both as provided in the QoS regulations.	MSO	
14	Changing payment mechanism from pre-paid to post-paid or vice-versa, as the case may be, on the request made by the subscriber.	MSO	
15	Generation of post-paid bills for subscribers as per the QoS norms.	MSO	
16	Delivery of post-paid bills to subscribers as per the QoS regulations.	MSO	
17	Issuance and delivery of receipts to post-paid subscribers for manual payments made by them and entering the details of the receipts in the subscriber management system as per the QoS regulations.	MSO	
18	Acknowledging pre-paid payments to the subscriber and updating the subscriber management system accordingly.	MSO	

19	Providing set top boxes to the subscribers conforming to the standards prescribed in the QoS regulations.	MSO	
20	Offering different schemes for the STB as per the QoS regulations.	MSO	
21	Offering annual maintenance scheme for the Customer Premises Equipment provided under outright purchase scheme after the expiry of guarantee/warranty period as per the QoS regulations.	MSO	
22	Repairing of a malfunctioning set top box as per the QoS regulations.	MSO	
23	Publicizing toll free consumer care number and address of the web based complaint management system to the subscribers through customer care channel and website, as provided in the QoS Regulations.	MSO	
24	Providing copies of Manual of Practice (MoP) to subscribers as specified in QoS regulations.	LCO	The MSO shall finalize the contents of MOP. Copies of such MoP shall be shared with the LCO.
25	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 LCO AND THE MSO AND RELATED RIGHTS AND OBLIGATIONS

12.1 The network capacity amount and distribution fee amount shall be shared in the ratio of 55:45 between multi system operator and local cable operator respectively.

Note:-Network capacity fee amount and the distribution fee shall have the same meaning as defined in the Interconnection Regulations and Tariff Order.

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 and 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 of 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);
- (b) “addressable system” shall have the same meaning as assigned to it in the Telecommunication (Broadcasting and Cable) Services Interconnection (Addressable Systems) Regulations, 2017;
- (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 (24 of 1997);
- (d) “basic service tier” means a bouquet of free to air channels as referred to 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 and all its grammatical variations and cognate expressions shall be construed accordingly;
- (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, downlinking permission for its channels, from the Central Government, is providing programming services;
- (g) “cable service” or “cable TV service” means the transmission of programmes including re-transmission of signals of television channels through cables;
- (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) “customer care centre” means a department or a section or a facility established under QoS regulations;
- (j) “CTN Act” means the Cable Television Networks (Regulation) Act, 1995 (7 of 1995);
- (k) “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;

- (l) "free-to-air channel" shall have the same meaning as assigned to it in the Tariff Order;
- (m) "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;
- (n) "head-end" 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;
- (o) "Interconnection Regulation" means the Telecommunication (Broadcasting and Cable) Services Interconnection (Addressable Systems) Regulations, 2017;
- (p) "Manual of Practice (MoP)" means the Manual of Practice as referred to in the QoS Regulation;
- (q) "pay channel" shall have the same meaning as assigned to it in the Tariff Order;
- (r) "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;
- (s) "programme" means any television broadcast and includes-
 - (iii) exhibition of films, features, dramas, advertisements and serials,
 - (iv) any audio or visual or audio-visual live performance or presentation,and the expression "programming service" shall be construed accordingly;
- (t) "QoS Regulation" means the Telecommunication (Broadcasting and Cable) Services Standards of Quality of Service and Consumer Protection (Addressable Systems) Regulations, 2017;
- (u) "set top box" means a device, which is connected to or is part of a television receiver and which enables a subscriber to view subscribed channels;

- (v) “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.
- (w) “subscriber” for the purpose of these regulations, means a person who receives broadcasting services, from a distributor of television channels, at a place indicated by such person without further transmitting it to any other person and who does not cause the signals of television channels to be heard or seen by any person for a specific sum of money to be paid by such person, and each set top box located at such place, for receiving the subscribed broadcasting services, shall constitute one subscriber;
- (x) “subscriber management system” 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 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;
- (y) “Tariff Order” means the Telecommunication (Broadcasting and Cable) Services (Eighth) (Addressable Systems) Tariff Order, 2017;
- (z) “trunk line” means the coaxial/optic fibre 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 there under or the CTN Act and the rules and regulations made there under, 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 VII

(Refer sub-regulations (1) and (3) of the regulation 14)

Subscription Reports

A: Monthly subscription reports of channels or bouquets to be provided by a distributor of television channels to a broadcaster.

Reported Month:_____

Year:_____

A.1 Monthly subscription of a channel or bouquet shall be arrived at, by averaging the number of subscribers subscribing that channel or bouquet, as the case may be, recorded four times in a month, as provided in table-1 and table-2 respectively. The number of subscribers shall be recorded at any point of time between 19:00 HRS to 23:00 HRS of the day.

Table 1- Monthly subscription for a-la-carte channels

Sl.	Name of the channel	Number of subscribers of the channel on 7 th day of the month	Number of subscribers of the channel on 14 th day of the month	Number of subscribers of the channel on 21 st day of the month	Number of subscribers of the channel on 28 th day of the month	Monthly subscription of the channel
(1)	(2)	(3)	(4)	(5)	(6)	$(7)=[(3)+(4)+(5)+(6)]/4$
1.						
2.						

Table 2- Monthly subscription for bouquets of pay channels

Sl.	Name of the bouquet of pay channels	Name of constituent channels of bouquet of the	Number of subscribers of the bouquet on 7 th day of	Number of subscribers of the bouquet on 14 th day of	Number of subscribers of the bouquet on 21 st day of	Number of subscribers of the bouquet on 28 th day	Monthly subscription of the
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		broadcaster	the month	the month	the month	of the month	bouquet
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)=[(4)+(5)+(6)+(7)]/4
1.							
2.							

B: Subscription reports in cases where the transaction of carriage fee is involved.

Reported Month: _____

Year: _____

Target Market: _____

B1: Monthly subscription for the channel and bouquet of the broadcaster carried by the distributor of television channels shall be calculated in the manner specified above in the table-1 and table -2 of this schedule, respectively.

B2: Average active subscriber base in the target market in the month shall be arrived at, by averaging the active subscriber base count recorded four times in a month, in the manner as provided in the table-3. The active subscribers base count of the network shall be captured from the subscriber management system at any point of time between 19:00 HRS to 23:00 HRS of the day.

Table 3 –Average active subscriber base in a month in the target market

Type of STB	active subscriber base count on 7 th day of the month	active subscriber base count on 14 th day of the month	active subscriber base count on 21 st day of the month	active subscriber base count on 28 th day of the month	Average active subscriber base in the month
(1)	(2)	(3)	(4)	(5)	(6)=[(2)+(3)+(4)+(5)]/4
Standard Definition STB					

High Definition STB					
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B3: For the purpose of calculation of carriage fee for standard definition channel, the average active subscriber base of standard definition STBs as well as high definition STBs deployed in target market shall be taken into account.

B4: For the purpose of calculation of carriage fee for high definition television channel, the average active subscriber base of high definition STBs deployed in target market shall be taken into account.

Note:

1. Each set top box, located at a place indicated by the subscriber for receiving the subscribed broadcasting services from the distributor of television channels, shall constitute one subscriber.
2. The reports shall be generated in non-editable PDF format, with read only permissions.

Calculating the discontinuation threshold for a television channel

1. The ‘discontinuation threshold’ for a channel shall be the number arrived at by multiplying the average active subscriber base of the concerned distributor in its declared target market with the ‘discontinuation multiplier’ for the language of that channel.
2. The ‘discontinuation multiplier’ for a language shall be five percent of the total percentage of the population speaking that language in the declared target market of the concerned distributor as per the latest Census data.
 - (a) In case the declared target market of the concerned distributor is ‘All India’, the ‘discontinuation multiplier’ shall be calculated as per the following table (until more recent Census data is available):

S no	Language	Total Population	Speakers' strength of the language (in percentage)	Discontinuation Multiplier (in percentage)
1	Hindi	691564035	57.11	2.856
2	English	128539090	10.62	0.531
3	Bengali	107472243	8.88	0.444
4	Telugu	94501603	7.8	0.390
5	Marathi	99058786	8.18	0.409
6	Tamil	76595866	6.33	0.317
7	Urdu	63239445	5.22	0.261
8	Gujarati	60289309	4.98	0.249
9	Kannada	58750799	4.85	0.243
10	Malayalam	35639342	2.94	0.147
11	Odia	42589333	3.52	0.176
12	Punjabi	36081753	2.98	0.149
13	Assamese	23629076	1.95	0.098
14	Any other language	14284294	1	0.050

Source: Census 2011 data: C-17 Population by bilingualism and trilingualism

- (b) In case a distributor declares multiple states as target market under the provisions of the regulations, the discontinuation multiplier shall be calculated in proportion to the speaking strength of the language of that television channel in all the states constituting the target market.

¹ Ins. by the Second Amendment Regulations, 2020, reg.7 (w.e.f. 01.03.2020)

(c) In case a distributor declares a State or a Union Territory as the target market under the provisions of the regulations, the discontinuation multiplier shall be calculated in proportion to the speaking strength of the language of the television channel in that state or Union Territory. (Refer Census Data of India, Statement 3: Distribution of 10,000 persons by language – India, States and Union Territories-2011; <http://censusindia.gov.in/2011Census/Language-2011/Statement-3.pdf> or latest census data)

3. The following illustrations explain the criteria for determining the continuance or otherwise of a television channel.

ILLUSTRATION-I

Target Market: All India: - Let us assume that the distributor has declared all India as its target market and its monthly average active subscriber base is 1,00,00,000 in each of the immediately preceding six consecutive months. Now, for a distributor, to check whether it has flexibility to continue or discontinue a television channel based on the 'discontinuation threshold' one has to look at the language(s) declared by the broadcaster and the number of subscribers in constituent of target market areas [state(s) and/or Union Territory(ies)] for a given television channel. Assuming in this case a broadcaster of a television channel that has declared Bengali as its language. One can note that as per the Census Data table (above), the speakers' strength of the Bengali language (in %) is 8.88.

The distributor will calculate 8.88% of its subscriber base (i.e. 8.88% of 1,00,00,000 = 8,88,000). If the monthly subscription of the above-mentioned television channel of Bengali language is less than 5% of 8,88,000 i.e. 44,400 in each of the immediately preceding six months in the target market specified by the distributor in the interconnection agreement (i.e. all India in this case), then it may discontinue carrying the channel on its platform.

Alternatively, distributor may calculate the threshold by multiplying 'Discontinuation Multiplier (in %)' with the monthly average active subscriber base of a distributor i.e., 0.444% of 1,00,00,000 = 44,400. If the monthly subscription of the above-mentioned television channel of Bengali language is less than 44,400 in each of the immediately preceding six months in the target market specified by the distributor in the interconnection agreement (i.e. all India in this case), then it may discontinue carrying the channel on its platform.

ILLUSTRATION-II

Target Market: Combination of State(s) & Union Territory(ies):- Let us assume that the distributor has declared Gujarat, Daman & Diu and Dadra & Nagar Haveli as its target market and its monthly average active subscriber base is 2,00,000 in the target market in each of the immediately preceding six consecutive months. The subscriber base is sub-divided as 1,50,000 in Gujarat, 40,000 in Daman & Diu and 10,000 in Dadra & Nagar Haveli. Now, for a distributor, to check whether it has flexibility to continue or discontinue a television channel based on the 'discontinuation threshold', one has to look at the language(s) declared by the broadcaster for a given television channel in respective target market [state(s) and/or Union Territories]. Assuming in this case a broadcaster of a television channel that has declared Gujarati as its language.

The distributor will calculate the speakers' strength of the Gujarati language in Gujarat, Daman & Diu and Dadra & Nagar Haveli (in %) using census 2011 data (Statement - 3 - Distribution of 10,000 persons by language - India, States and Union Territories – 2011) which is 85.97%, 50.83% and 21.48% respectively.

The distributor will calculate the threshold for his above-mentioned target market as follows:

$$\begin{aligned}
&= 5\% \text{ of } (85.97\% \text{ of its subscriber base in Gujarat}) + 5\% \text{ of } (50.83\% \text{ of its subscriber base in Daman \& Diu}) + 5\% \text{ of } (21.48\% \text{ of its subscriber base in Dadra \& Nagar Haveli}) \\
&= 5\% \times (85.97\% \times 1,50,000) + 5\% \times (50.83\% \times 40,000) + 5\% \times (21.48\% \times 10,000) \\
&= 6448 + 1017 + 107 \\
&= 7572
\end{aligned}$$

If the monthly subscription of television channel of Gujarati Language is less than 7,572 in each of the immediately preceding six months in the target market specified by the distributor in the interconnection agreement, i.e. Gujarat, Daman & Diu and Dadra & Nagar Haveli in this case, then it may discontinue carrying the given channel on its platform.

ILLUSTRATION-III

Target Market: All India- Multiple: Languages: - Let us assume that the distributor has declared 'all India' as its target market and the monthly average active subscriber base of the distributor is 1,00,00,000 in the target market in each of the immediately preceding six consecutive months. Now, for a distributor, to check whether it has flexibility to continue or discontinue a television channel based on the 'discontinuation threshold' one has to look at the language(s) declared by the broadcaster for a given television channel. Assuming in this case a broadcaster of a television channel that has declared English and Hindi as its languages.

The distributor will calculate the speakers' strength of the Hindi & English language (in %) using census 2011 data (Statement - 3 - Distribution of 10,000 persons by language - India, States and Union Territories – 2011) which is 57.11% and 10.62% respectively.

The distributor will calculate the threshold for his above-mentioned target market as follows:

$$\begin{aligned}
&= 5\% \text{ of } (57.11\% \text{ of its subscriber base}) + 5\% \text{ of } (10.62\% \text{ of its subscriber base}) \\
&= 5\% \times [(57.11+10.62) \% \text{ of } 1,00,00,000] \\
&= 3,38,650
\end{aligned}$$

If the monthly subscription of television channel, of English and Hindi language, is less than 3,38,650 in each of the immediately preceding six months in the target market specified by the distributor in the interconnection agreement, i.e. all India in this case, then it may discontinue carrying the given channel on its platform.]

Conditional Access System (CAS) and Subscriber Management System (SMS)

A. CAS Mandatory Requirements

1. Time Stamping: All logs shall be stamped with date and time. The system shall not allow altering or modification of any logs. There shall be no facility for the distributor/users to purge logs.

2. Activation and Deactivation: No access/login IDs/user interface/application shall be provided to the distributor of television channels to execute any commands, including but not limited to, activation/de-activation, bouquet creation/modification/deletion, etc., directly from CAS by bypassing SMS:

Provided that, if any activity has been carried directly from CAS for trouble shooting; such an exception shall be identified through the synchronization mismatch report. Further, for any activity outside the normal channel/route of SMS-based commands, a secure log shall be maintained and made available on request to the audit or testing agency for scrutiny.

3. SMS and CAS Integration: Each instance of the activity carried out at SMS pertaining to CAS shall be recorded in the logs/reports of CAS, along with date and time stamp.

4. Set Top Box (STB) Operation: Upon deactivation of any subscriber from the SMS, all program/services, including all free- to-air (FTA) and pay channels and platform services, shall be denied to that subscriber:

Provided that there shall be a facility for the distribution platform operator (DPO) to continue to provide B-mail/scroll messages that enable a consumer to get the information in relation to the recharge/payment of the pending dues.

5. Channel Addition: CAS shall be capable to add/modify channels/bouquets as may be required from time to time.

6. Logical Channel Number (LCN): CAS shall not support carriage of channel with same name or nomenclature in the distributor's network served by each headend under more than one LCN, and another channel descriptor. Further, each channel available in CAS shall be uniquely mapped with channels available in SMS.

7. Hybrid STB: In case a distributor of television channels has deployed hybrid STBs, CAS shall ensure that the over-the-top (OTT) App does not get access to the linear Television channels, and the CAS does not get access to channels delivered through OTT platform:

Provided that, all the mandatory requirements for CAS shall be complied by the hybrid STBs.

¹ Ins. by the Third Amendment Regulations, 2021, reg. 3 (w.e.f. 11.06.2021)

8. CAS Reports:

- (a) CAS database shall have the reports of white list of card/STBs along with details such as active/inactive status, with the date and time stamp.
- (b) CAS system shall be capable of generating reports pertaining to the channel/bouquet subscriptions and active/deactivated subscribers, or any combination thereof; of sharing the same with SMS as a scheduled activity, and also upon request, including, but not limited to, the following details:
 - (i) STB Number
 - (ii) Viewing Card (VC) Number [or, in case of card-less CAS, chip identification (ID) or virtual card number of the STB]
 - (iii) Product Code pertaining to channels/ bouquets available on the platform
 - (iv) Start date of entitlement
 - (v) End date of entitlement
 - (vi) Status of card (Active/Inactive)
- (c) It shall be possible to generate following reports from the logs of CAS:
 - (i) STB-VC pairing/de-pairing
 - (ii) STB activation/deactivation
 - (iii) Channel assignment to STB
 - (iv) Report of the activation/deactivations of a particular channel for a given period

9. CAS Database and tables:

- a) There shall not be any active unique subscriber outside the database tables. Further, there shall not be an option to split CAS database for creation of more than one instance by a DPO or a vendor.
- b) CAS must support the following options with reference to uploading of unique access (UA)/ viewing card (VC) details in CAS database:
 - i. a secure un-editable file of card details, as purchased by the distributor, to be uploaded by the CAS vendor on the CAS Server directly, or,
 - ii. if it is uploaded in any other form, UA/VC in CAS database shall be captured in logs.

- iii. Further, CAS shall support an automated, application programming interface (API)-based mechanism to populate such UA/VC details in the SMS, without any manual intervention.

10. CAS Logs: CAS logs such as the user command, configuration, channel/bouquet creation, modification, etc., shall be kept in a secured and un-editable way.

11. CAS Backup Server: In the event of provisioning of a backup server, logs of all activities carried out in main server shall be concurrently copied into the backup server:

Provided that a log of all such instances shall be maintained along with date and time stamp, where the backup server has been used as the main server:

Provided further that the main and backup server shall always be in sync with regard to the key data such as subscription data, STB UA/VC details, entitlement level information, etc.

12. CAS-STB addressability:

- (a) CAS shall be capable of providing STB/viewing card information with the current date, time, and name/logo of the distributor of television channels.
- (b) CAS shall be capable of individually addressing subscribers, for the purpose of generating the reports, on channel by channel and STB by STB basis.
- (b) CAS shall be capable of tagging and blacklisting VC numbers and STB numbers that are involved in piracy, to ensure that such STB/ VC cannot be redeployed.
- (c) CAS shall be capable of upgrading STBs over-the-air (OTA), so that the connected STBs can be upgraded.

13. Access to Database: CAS and SMS shall ensure that the access to database is available to authorized users only, and in “read only” mode only. Further, the database audit trail shall be permanently enabled.

Explanation 1: Database here refers to the database where data and log of all activities related to STB activation, deactivation, subscription data, STB UA/VC details, entitlement level information, etc., is being stored.

14. Provision of à-la-carte channels or bouquet:

- (a) CAS (and SMS) shall be able to handle all the channels, made available on a platform, in à la carte mode.
- (b) CAS (and SMS) shall have the capability to handle such number of broadcaster/DPO bouquets, as required by the DPO.

15. CAS and SMS Server Separation: CAS and SMS applications, along with their respective databases, shall be stored in such a way that they can be separately identified.

16. Finger printing measures:

- (a) CAS shall support both covert and visible types of finger printing functionality.
- (b) The fingerprinting shall be on the topmost layer of the video.
- (c) The fingerprinting shall appear on the screen in all scenarios, such as menu, electronic programme guide (EPG), settings, blank screen, games, etc.
- (d) The fingerprinting shall not get invalidated by use of any device or software.
- (e) CAS shall have the capability to run fingerprinting at regular intervals (e.g., minimum of 2 fingerprints per hour on a 24x7x365 basis) and provide broadcasters with the fingerprint schedule on request.
- (f) The fingerprinting shall be available on global as well as on individual STB basis.

17. CAS Database (DB) Export: CAS shall have a provision to export the database/report for reconciliation with the SMS database. Further, there shall be a provision of reconciliation through secure APIs/secure scripts.

18. Firewall Access: CAS shall be accessible through a Firewall only.

19. CAS Server Hardware: CAS shall be deployed on hardened secure server hardware. CAS shall protect against any backdoors, malicious software deployments, and cyber security threats.

20. De-entitlement of STB: CAS should have the following features:

- (a) The entitlement end date in CAS shall be equal to the entitlement end date in SMS, or,
- (b) The entitlement end date in CAS shall be open and SMS shall manage entitlements based on the billing cycles and payments.

B. SMS Mandatory Requirements

1. Synchronization of the data of both CAS and SMS:

- (a) CAS and SMS data shall be synchronized with each other. There shall be a facility to trace data mismatch between CAS and SMS on periodic basis, to be made available during audits.
- (b) SMS shall have a provision to generate synchronization report, with date and time, with the minimum fields as listed below:
 - (i) STB No.
 - (ii) VC No. (Or in case of card-less CAS, chip ID or virtual card number of the STB)
 - (iii) Product Code pertaining to à-la-carte channels and bouquets available on the platform

- (iv) Start Date of entitlement
 - (v) End Date of entitlement
 - (vi) Status of card (Active/Inactive)
- (c) The file output of CAS shall be processed by SMS system to compare and generate a 100% match or mismatch error report.
- 2. Channel/Bouquet management:** SMS shall support the following essential requirements:
- (a) Create and manage all channels and bouquets along with the relevant details such as name, tariff, broadcaster, or DPO bouquet, etc.
 - (b) Manage changes in the channel/bouquet, as may be required, from time to time.
 - (c) Link the products' IDs for à-la-carte channels and bouquets (Single and Bulk) created in CAS with the product information being managed in SMS, for smooth working of SMS and CAS integration.
 - (d) Management of historical Data of Product name, i.e., Broadcasters (name), maximum retail price (MRP), distributor retail price (DRP).
- 3. Network Capacity Fee (NCF) Policy Creation:** SMS shall support all Network Capacity Fee related requirements mandated by the applicable tariff order.
- 4. Bill/Invoice Generation:** SMS shall be capable of generating proper subscriber bill/invoice with explicit details of NCF charges, Pay Channels charges (with clear itemized details of à-la-carte channel cost and bouquet costs), rental charges for STB (if any), other applicable charges, including Goods and Services Tax (GST).
- 5. Password Policy Creation for Users:** SMS shall have a defined password policy, with minimum length criteria and composition (upper and lower-case characters, numeric, alphabets or special characters), forced password changes or any other appropriate mechanisms or combinations thereof.
- 6. Management of Logs:**
- (a) SMS shall have the facility to provide user detail logs with the ID of users on each login event.
 - (b) SMS shall have the provision of generating the user activity log report to enable tracking users' work history. It shall not be allowed to delete the records from the log.
 - (c) All logs shall be stamped with date and time and the system shall not allow altering or modifying any logs.
 - (d) The logs shall be maintained for a period as specified in Schedule III or at least two audit cycles, whichever is later.
- 7. Channel subscription report:** SMS shall be able to provide the total counts of monthly subscribers of channels including both à la carte and bouquet subscriptions.
- 8. SMS Database and tables:**

- (a) There shall not be any active unique subscriber outside the database tables.
- (b) SMS shall not provide an option to split SMS database or for creation of more than one instance.
- (c) SMS shall have the provision to enable or disable channel (à-la-carte channel or bouquet of channels) selection by subscribers either through website or an application through interface provided by the distributor platform operator.
- (d) SMS shall be capable of capturing the following information required for audit or otherwise:
 - (i) Bouquet à la carte status change history
 - (ii) Bouquet composition change history
 - (iii) Change in status of connection (primary to secondary and vice versa)

9. Firewall Access: SMS shall be accessed through a Firewall.

10. STB-VC pairing: STB and VC shall be paired from the SMS to ensure security of channel.

11. SMS-STB addressability: The SMS shall be capable of individually addressing subscribers, for the purpose of generating the reports, on channel by channel and STB by STB basis.

C. CAS Desirable Requirements:

1. Message Queue:

- (a) In the event of unsuccessful transmission of messages due to network failure (for instance, due to power failure), the head-end should have an option to queue up the messages. Further, there should be a provision to retry them at specified intervals using additive back off retrial timings.
- (b) In the event of unsuccessful deliveries of the messages, the life of the messages should be specifiable.

2. Geographical Blackout: CAS shall have the feature of geographical blackout.

Explanation 1: Geographical blackout is the ability of CAS to blackout a particular region based on the postal index number (PIN) Codes [Geographic Area Code], if required by government agencies or for other reasons.

3. After-Sales Service Support: The required software and hardware support should be available to the distributor of the television channels' installations from the CAS vendor's support teams located in India. The support should be such as to ensure the CAS system with 99.99% uptime and availability. The systems should have sufficient provisions for backup systems to ensure quality of service and uptime.

Explanation 1:

- (i) The requirement for hardware support should be applicable, only if the hardware is directly or indirectly provided by the CAS vendor.
- (ii) The actual service-level arrangement for the system support shall be governed by the mutual agreement / service-level agreement (SLA) between the service provider, i.e., CAS vendor and the customer (DPO).
- (iii) The signatories to the said agreement may mutually choose lenient/stringent service-level guarantee.

D. SMS Desirable Requirements

1. Data Verification:

- (a) SMS should have the facility to carry out auto-reconciliation of channels/à la carte and all bouquets with their respective ID created in SMS with CAS configuration, and the variance report should be available in the system with logs.

2. SMS Reports: SMS should have a provision of generating the following reports pertaining to STB/VC:

- (a) White list of STB/VC along with active/inactive status
- (b) Faulty STB/VC – repairable and beyond repairable
- (c) Warehouse fresh stock
- (d) In stock at local cable operator (LCO) end
- (e) Blacklist
- (f) Deployed with activation status
- (g) Testing/demonstration STB/VC with location

3. Audit-related requirements: SMS should have the capability to capture below-mentioned information that may be required for audit and otherwise:

a. Subscriber related:

- (i) Subscriber contact details change history
- (ii) Connection count history
- (iii) Transition of connection between Disconnected/Active/Temporary Disconnected
- (iv) Subscription change history

b. LCO related:

- (i) LCO Contact details change history
- (ii) LCO and DPO sharing change history

c. Product (Bouquet/à-la-carte channel) related:

- (i) Broadcaster à-la-carte relation

- (ii) Bouquet name change history
- (iii) À la carte name change history
- (iv) Bouquet à-la-carte channel rate change history

d. STB/Smartcard related:

- (i) Change in location history
- (ii) Change in status (Active/Damaged/Repaired)

4. **User Authentication:** SMS should have the capability to authenticate its subscribers through registered mobile number (RMN) through one-time password (OTP) system.
5. **Miscellaneous:** SMS should have the provision to support the following miscellaneous requirements:
 - (a) List of à-la-carte channels and bouquets, digital headend (DHE) and Zone-wise: Provision to support/manage Zone/ Sub-Headend-wise list of à-la-carte channels and bouquets, in sync with the list available in CAS.
 - (b) Revenue Sharing Between DPO and LCO: Provision to define and calculate DPO and LCO revenue share separately for distribution fee as well as for NCF, as per the agreement executed between them, with the option to maintain historical information can be very useful and is desirable.
 - (c) LCO invoicing with GST: Provision to generate invoicing under multiple GST registration numbers of LCO's and to comply with GST invoicing norms as applicable.
 - (d) Product(à-la-carte channels and bouquets)-wise Renewal and Reversal setting for the Subscriber Account: Provision to allow renewal of a product to a subscriber after the expiry date of a product, and provision to auto-calculate and refund the amount to a subscriber if he discontinues a product midterm. These requirements may be configurable on selective products, as required by the DPOs as per their business plans.
 - (e) Product (à-la-carte channels and bouquets)-wise Reversal setting for LCO Account: Provision to calculate and refund the amount due to LCO, if he or the subscriber discontinues a product midterm.
 - (f) Product (à-la-carte channels and bouquets) Tenure-wise LCO and Subscriber Discount Scheme/Free Days Scheme: Provision to create Discount Scheme and Free-day scheme for LCO and Subscriber, based on the duration (Tenure) of the product subscription.
 - (g) Calendar/Activity Scheduling: Provision to auto-schedule activities like STB activation/deactivation, à-la-carte channels and bouquets addition/removal, channel/bouquet composition modification, etc.
 - (h) Bulk Channel/Bouquet Management: Provision to perform bulk activity of à-la-carte channels and bouquets addition and removal on all or a designated group of STBs.

(i) Token-number-based reports: Provision to download multiple generated reports with the help of token number, such as audit reports with different intervals.

(j) Third-Party Integration: Provision to support integration with relevant third-party systems, such as, payment gateway integrations, interactive voice response (IVR) Integrations, SMS Gateway Integrations, etc.

(k) Bill payment and reconciliation feature: Provision for bill payment and reconciliation (in case a DPO is running service in post-paid mode).

(l) Generation of Reports: Provision to generate the following reports for operational purpose:

(i) All, selective and single boxes' current status with their first-time activation date.

(ii) Total number of à-la-carte channels and bouquets and STB expiring detail till given future date on the dashboard, according to the permission.

(iii) Today's fresh activation count, de-activation count, re-activation count, à-la-carte channels and bouquets addition/ removal count on dashboard, according to the permission.

(iv) Total active and inactive subscriber's details with multiple criteria (network-wise, à-la-carte channels and bouquets-wise, state-city wise and broadcaster-wise).

6. **After-Sales Service Support**: The required software and hardware support should be available to the distributor of the television channels' installations from the SMS vendor's support teams located in India. The support should be such as to ensure the SMS system with 99.99% uptime and availability. The systems should have sufficient provisions for backup systems to ensure quality of service and uptime:

Explanation 1:

(i) The requirement for hardware support should be applicable, only if the hardware is directly or indirectly provided by the SMS vendor.

(ii) The actual service-level arrangement for the system support shall be governed by the mutual agreement/SLA between the service provider, i.e., SMS vendor and the customer (DPO).

(iii) The signatories to the said agreement may mutually choose lenient/stringent service-level guarantee.]

