

**REFERENCE INTERCONNECT OFFER BY BHARTI TELEMEDIA LIMITED TO  
BROADCASTERS SEEKING ACCESS TO ITS DIRECT TO HOME SERVICE**

This **REFERENCE INTERCONNECT OFFER ('RIO')** has been drawn up in compliance with Telecommunication (Broadcasting and Cable) Services Interconnection (Addressable Systems) Regulations, 2017 ('Regulations') and the Telecommunication (Broadcasting and Cable) Tariff Order, 2017 along with amendments (collectively referred to as the 'Interconnect Regulations') and is subject the final outcome of the challenge filed in the courts against the Interconnect Regulation.

This RIO consists of two parts – Part A and Part B. Part A consists of the Application Form to enable the Broadcaster to make an application to avail the DTH Service of Bharti Telemedia Limited ('**Telemedia**') and Part B consists of the Interconnection Agreement, containing terms and conditions, which, inter alia, provide the technical, commercial and legal terms and conditions upon which Telemedia may grant access to the Broadcaster to the DTH Service of Telemedia for re-transmission and distribution of the Channel(s) of the Broadcaster. This RIO is being published without prejudice to Telemedia's rights and contentions available under law.

**PART-A : APPLICATION FORM**

**Application form to get access to the network for distribution of television channel**

1. Name of Broadcaster-
2. The names of CEO/MD of the broadcaster-
3. Registered Office address-
4. Address for communication-
5. Name of contact person/ authorized representative-
6. Telephone of contact person-
7. E-mail Address of contact person-
8. Details of channel and the copy of permission letter issue by MIB for downlinking of channel(s)

Sr. No	Name of the Channel(s)	Genre of Channel (s)	Language of the Channel(s)	License Holder	Registration No..	Validity	
						From	To

9. Encryption of Channel(s)

**Declaration:** I \_\_\_\_\_ s/o or d/o \_\_\_\_\_, (Authorized Signatory) of \_\_\_\_\_ (Name of the Broadcaster) do hereby declare the details of the above are true and correct.

Signature

Date and Place

## Terms and Conditions governing Part-A of the RIO:

1. Broadcaster desirous of retransmission and/or distribution of its Channel(s) on the DTH Service of Operator must provide the following :
  - i. Application Form, complete in full, accurate and legible.
  - ii. Documents including the following:
    - a. List of directors and the name of the authorised signatory together with the board resolution evidencing the same
    - b. Copy of valid licenses issued by the Ministry of Information and Broadcasting, India authorizing the Broadcaster to operate each of the Channel(s)
    - c. Certification of Incorporation and the Memorandum and Articles of Association of the Company
    - d. List of directors and the name of the authorised signatory together with the board resolution evidencing the same
    - e. Copy of the certificate issued by the Income Tax department allotting the Permanent Account Number, Service Tax Number to the Broadcaster
    - f. Information on any insolvency proceedings or winding up proceedings pending against the Broadcaster, and/or a declaration that no such proceedings are pending against the Broadcaster.
    - g. For Broadcasters belonging to the same group company, a copy of the letter of authority issued by the broadcaster(s) authorizing another Broadcaster to negotiate and enter into carriage and placement agreements with distribution platform operators including Operator..
2. Notwithstanding to the contrary stated, nothing in this Agreement shall prevent Operator from rejecting an Application of the Broadcaster, if
  - i. The Broadcaster refuses to pay the carriage fee to Operator, or
  - ii. The Broadcaster is in default of any payments to Operator and continues to be in default in connection with the Channels named in the Application Form and/or the any other channel(s) owned and/or distributed by the Broadcaster and/or any group company of the Broadcaster under other arrangements and/or RIO's, or
  - iii. Operator believes that the Broadcaster, may not be able to pay carriage fee for the complete period of one (1) year thereby violating the regulations which mandates the period of interconnection agreement to be for minimum one (1) year, or
  - iv. The Broadcaster and/or any group company of the Broadcaster, is in default of any other terms and conditions of this RIO or any other interconnection agreement(s) signed by Operator with the Broadcaster and/or any group company of the Broadcaster for any other channel(s) owned and/or distributed by the Broadcaster and/or any group company of the Broadcaster, or
  - v. If the Channel(s) was discontinued, in the past one year or less, because the monthly subscription of the Channel(s) was less than as specified in TRAI regulations
  - vi. If there are any pending earlier requests by other broadcasters or Operator is unable to allocate spare capacity on the DTH Service of Operator for re-transmission and distribution of its Channel(s).

## **PART-B : INTERCONNECTION AGREEMENT**

**THIS INTERCONNECTION AGREEMENT ('Agreement') is entered into on \_\_\_\_\_, 2020 BETWEEN**

**BHARTI TELEMEDIA LTD.**, a company incorporated under the Companies Act, 1956, and having its Registered Office at 1, Nelson Mandela Road, Vasant Kunj, Phase 2, New Delhi – 110 070, (hereinafter referred to as “**Operator**”, which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and permitted assigns) of the first part.

AND

\_\_\_\_\_, company incorporated under the Companies Act, 1956/2013 and having its Registered Office at \_\_\_\_\_, represented through its Authorized Signatory, (hereinafter referred to as the “**Broadcaster**”, which expression shall unless repugnant to the context or meaning thereof, be deemed to include its successors-in business, permitted assignees), of the other part.

‘OPERATOR’ and the Broadcaster are hereinafter individually referred to as ‘Party’ and collectively referred to as “Parties”.

### **RECITALS**

- **WHEREAS** ‘Operator’ operates a DTH (Direct-To-Home) platform;
- **AND WHEREAS** the Broadcaster is inter alia engaged in the business of providing content/transmitting television channel under a valid and subsisting permission from the Ministry of Information and Broadcasting;
- **AND WHEREAS** the Broadcaster is the owner and/or distributor of the Channel(s) and has obtained necessary permission for uplinking and downlinking the channel in India (copy of which shall be provided to ‘Operator’ by the Broadcaster).
- **AND WHEREAS** the Broadcaster is desirous to access the DTH platform of ‘Operator’ for the purpose of distribution of its Channel (as defined herein-below) in India in accordance with the applicable regulations and terms and conditions which govern such provision;
- **AND WHEREAS** ‘Operator’ has agreed to distribute the channel(s) of the Broadcaster, as described in this Agreement, on the terms and conditions of this Agreement.

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

### **1. DEFINITIONS AND INTERPRETATIONS**

- 1.1 In this Agreement, unless the context otherwise requires, the following words shall have the meaning ascribed thereto when used in capitalized form elsewhere in this Agreement:

- (a) **“Agreement” or “This Agreement”** means this Interconnection Agreement together with its Schedules as may be amended from time to time.
- (b) **“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 programs 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;
- (c) **“Applicable Laws”** means laws, regulations, directions, notifications, rules or orders or guidelines, including amendments thereto, enacted or issued by any constitutional, legislative, judicial, quasi-judicial, self-regulatory bodies or administrative authority including without limitation the Copyrights Act, 1957, Telecom Regulatory Authority of India (TRAI), Ministry of Information and Broadcasting (MIB).
- (d) **“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);
- (e) **“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;
- (f) **“Active Subscriber”** 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;
- (g) **“Average active subscriber base”** means the number arrived by averaging the active subscriber base count in the manner specified in Schedule VII of the Telecommunication (Broadcasting and Digital) Services Interconnection (Addressable Systems) Regulations, 2017 including any amendments thereof;
- (h) **“bouquet” or “bouquet of channels”** means an assortment of distinct channels offered together as a group or as a bundle by the Broadcaster and all its grammatical variations and cognate expressions shall be construed accordingly;
- (i) **“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;
- (j) **“Carriage fee”** means any fee payable by a broadcaster to Operator only for the purpose of carrying its channels/ bouquet(s), as the case maybe, Television Networks, without, specifying the placement of such channels onto a specific position in the electronic program guide or, seeking assignment of a particular number to such channels and calculated in accordance with Schedule I of the Telecommunication (Broadcasting and Digital) Services Interconnection (Addressable Systems) Regulations, 2017 as issued by the Authority, including any amendments thereof.;

- (k) For the purpose of calculation of “Carriage Fee”, the number of channels in a bouquet(s) as offered by the Broadcaster shall be treated as 1 (One) on individual basis and accordingly carriage fee shall be calculated.
- (l) **“Channel(s)”** means the standard definition (SD) channel(s)/ high definition (HD) channels, as the case maybe and more specifically listed out by the Broadcaster, along with their Nature, Maximum Retail Price (if any) and respective genre, in **Annexure B** annexed to this Agreement that are owned/operated by the Broadcaster (including its subsidiary company or holding company or subsidiary of the holding company) / ;
- (m) **“Confidential Information”** means any confidential and proprietary information disclosed by either Party to the other Party while performing under this Agreement.
- (n) **“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.
- (o) **“Effective Date”** means the date of execution of this Agreement first written above;
- (p) **“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;
- (q) **“Holding Company”, “Subsidiary Company” and “Subsidiary of the holding company”** shall have the same meaning as defined under the Companies Act, 2013 including any amendments thereof.
- (r) **“Intellectual Property Rights”** means all intellectual property rights owned and licensed, to be owned and licensed by the Broadcaster and/or the Channel owners including but not limited to any patent, copyright, trademark or any mark, any right in the nature of the aforementioned rights, trade secrets, rights of attribution, integrity and similarly afforded “moral rights,” rights in unpatented know-how, inventions and technology, and any other intellectual or proprietary rights of any nature whatsoever in any part of the world,
- (s) **““Operator’ Platform”** means the DTH network of ‘Operator’ through which DTH services are being provided to the Subscribers of ‘Operator’
- (t) **“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;
- (u) **“Satellite”** means the satellites used for up linking or down linking or operating DTH services.
- (v) **“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

- (w) **“Territory/Target Market”** shall mean geographical region of the Republic of India.
- (x) **“Subscriber Reports”** shall mean the monthly reports to be provided by Operator to Broadcaster in accordance with Schedule VII of the Telecommunication (Broadcasting and cable) services Interconnection (Addressable Systems) Regulations, 2017;
- (aa) **“Subscriber Report Due Date”** shall mean the period of seven days reckoned from the end of the calendar month, within which period, an Operator is required to furnish to the Broadcaster, the monthly subscription reports as provided for in the Telecommunication (Broadcasting and cable) services Interconnection (Addressable Systems) Regulations, 2017;
- (ab) **“Term”** means the period of 1 (One) year of validity of this Agreement, commencing from the Effective Date, unless this Agreement is terminated earlier in accordance with the provisions of this Agreement.

## 2. **DESCRIPTION OF CHANNEL:**

**2.1 Name of the Channel(s)-**

**2.2 Genre of the Channel(s)-**

**2.3 Language of the Channel(s)-**

**2.4 Nature of the Channel(s) (Pay/FTA)-**

## 3. **RIGHTS GRANTED**

- 3.1. Subject to the provisions hereof, the Broadcaster grants to ‘Operator’, the non-exclusive right during the term of this Agreement:
  - a. to receive;
  - b. to decrypt, turnaround, encrypt (without interfering in its contents) either itself or through the Affiliate(s);
  - c. to redistribute/transmit the Channel through ‘Operator’'s DTH platform in, for reception by the Subscribers through STB as per their request and choice which may or may not have storage capacity;
  - d. to sell/market the channel(s) on a la carte basis or as part of any one or more of the packages of channels; and
  - e. to charge a price as decided by ‘Operator’ from Subscriber subscribing to the channel or package of channels including channel(s) owned by the Broadcaster and subject to Applicable laws.
- 3.2. In terms of the authorization granted by the Broadcaster, the Channel shall be down-linked at ‘Operator’'s DTH Platform at Manesar and after re-encrypting the signals distribute/transmit the same to the Subscriber through ‘Operator’ platform, which will be decrypted by the Subscriber by CPE.
- 3.3. Operator may enable Digital Video Recording (DVR)/ Personal Video Recording (PVR) through in-built Hardware in STB, external USB connected to the STB or Cloud Storage for Operator’s subscribers. Broadcaster agrees that the lawful use

by a Subscriber of a STB with PVR/DVR facility for purposes of recording a program on the Channel(s), or part thereof; shall not be deemed a breach of this Agreement

4. **RATE OF CARRIAGE FEE AND MANNER OF CALCULATION:**

4.1. Rate of carriage fee:

- a. The rate of carriage fee per standard definition channel per subscriber per month to be paid by the Broadcaster to 'Operator' shall be twenty paisa;
- b. The rate of carriage fee per high definition channel per subscriber per month to be paid by the Broadcaster to 'Operator' shall be forty paisa;

4.2. Manner of calculation of carriage fee: The manner of calculation of carriage fee payable by the Broadcaster to 'Operator' is provided in Annexure A of this Agreement.

4.3. The amount of carriage fee payable by Broadcaster to Operator per month, shall not exceed-

- a. Rupees four lakhs (Rs. 4,00,000/-) for a SD Channel; and
- b. Rupees eight lakhs (Rs. 8,00,000/-) for a HD Channel

5. **PAYMENT TERMS**

5.1 Operator shall provide to Broadcaster the Subscriber Report for the applicable month on or before the applicable Subscriber Report Due Date

5.2 Operator shall raise monthly invoices on the Broadcaster, towards Carriage Fee for a particular month (together with applicable taxes, levies and cess) along with the Subscriber Report of the particular month. In case, the Operator fails to send the Subscriber Report in accordance with Clause 5.1, Operator shall have the right to raise a provisional invoice on Broadcaster for that month. Broadcaster agrees and acknowledges that the provisional invoice towards Carriage Fee shall be such amount as shall be increased by 10% of the amount mentioned in the invoice raised on Broadcaster towards Carriage Fee for the immediately preceding month. On receipt of Subscription Report for such month, (for which the provisional invoice was raised by Operator), from Operator, but no later than three (3) months from the Subscriber Report Due Date for such month (for which the provisional invoice was raised by Operator), Broadcaster would conduct reconciliation between the provisional invoice raised by the Operator and the Subscriber Report for such month furnished by the Operator.

5.3 Broadcaster shall be required to make payment of the applicable invoiced amount to Operator towards Carriage Fee within fifteen (15) days of receipt of such invoice from Operator ("**Payment Due Date**"). The payment shall be made by Broadcaster in Indian Rupees by Cheque drawn in favour of "**Bharti Telemedia Limited**", unless instructed otherwise in writing by Operator.

5.4 All applicable taxes/cess shall be in addition to the Carriage Fee and shall be borne by the Broadcaster.

5.5 In the event of any discrepancy (ies) observed by Broadcaster in the invoice, then the same shall be notified by the Broadcaster to the Operator within seven (7) days from the date of such invoice. In case, the Broadcaster fails to notify the

operator of discrepancy(ies) in the invoice within the referred time-line, then such invoice shall be deemed to have been accepted by Broadcaster and the Broadcaster shall be liable towards the invoiced amount on or before the Payment Due Date without any demur.

- 5.6 In the event the Broadcaster has raised any issue pertaining to calculation of Carriage Fee, under this Agreement, Broadcaster shall continue to make payment of Carriage Fee in terms of the invoice(s) raised by the Operator, till such time the dispute is resolved. Applicable adjustment shall be made on final resolution of the issues raised by the Broadcaster.
- 5.7 Subject to Clause 10.5, failure of Broadcaster to make payment of Carriage Fee by the applicable Payment Due date shall attract interest at the rate of eighteen percent (18%) per annum, plus applicable taxes, levies and cess. The imposition and collection of interests on late payments does not constitute a waiver of Broadcaster's obligation to make applicable payment(s) by the applicable Payment Due Date, and Operator shall retain all other rights and remedies available to Broadcaster under the Agreement and/or Applicable Laws.
- 5.7 For the sake of clarity, if under applicable Indian Tax laws, any payments under this Agreement by Broadcaster to Operator, are subject to deduction of withholding taxes, then Broadcaster shall (i) deduct/withhold the applicable withholding tax amount in the name of Operator who's PAN number is AADCB0147R\_; (ii) remit/deposit such deducted withholding tax amount to the applicable Indian Tax authority in the name of Operator within the due dates prescribed under the applicable tax law and (iii) within the applicable statutory period, as per the applicable Indian tax law, deliver all documents to the Authorized Representative evidencing such statutory deductions. Failure of Broadcaster to provide the required documents evidencing remittance/deposit remittance/deposit of deducted withholding tax to applicable tax authorities within the stipulated period prescribed by such authorities, shall be deemed as non-payment of Carriage Fee in terms of this Agreement.
- 5.8 Except for deducting applicable withholding tax in terms of Clause 5.7 of this Agreement, Broadcaster shall have no right to withhold or claim adjustment/set off Carriage Fee under this Agreement for any reason whatsoever.
- 5.9 Broadcaster acknowledges that Operator shall not be liable for any allowance or disallowance of input tax credit by the applicable tax authorities to the Broadcaster basis the payment made under this Agreement.

## 6. **OBLIGATIONS OF THE BROADCASTER:**

- 6.1 The Broadcaster hereby grants to 'Operator', the non-exclusive re-distribution rights to the Channel during the Term of this Agreement to receive, decrypt, turnaround, encrypt (without interfering with its content) and to redistribute/broadcast the Channel via the DTH services, to all its subscribers in a securely encrypted manner without interruption, editing, interference or alteration, except as necessary in relation to the platform's EPG, Interactive guide, platform functionality and related services.



- 6.2 Broadcaster shall ensure continuous transmission of the Channel on a 24x7 basis with an uptime of 99.5%. In case, the transmission of the Channel is not available for a continuous period of more than 24 hours in a month, then 'Operator' shall be entitled to take such steps which are in the interest of the subscribers of the DTH services and also not in prejudice to the interest of Broadcaster.
- 6.3 The Broadcaster acknowledges that the execution of this Agreement and the carriage of the Channel on 'Operator's Platform is conditional upon Broadcaster providing to 'Operator' certified true copy(s) of the following documents namely: Broadcaster's Channel license, Uplinking and Downlinking licenses issued by Ministry of Information and Broadcasting ("MIB") along-with copy of the teleport agreement and any other document as required by 'Operator' in order to ascertain the technical requisites before confirmation of date of launch of the Channel by 'Operator' on its Platform.
- 6.4 The Broadcaster agrees to obtain and furnish to Operator, a Bank Guarantee at the time of entering into this Agreement. It is agreed between the Parties that such Bank Guarantee shall be for an amount INR \_\_\_\_\_/- and shall be valid for the term of one(1) year from the Effective Date of the Agreement. Failure by the Broadcaster to furnish a Bank Guarantee shall be deemed to be a material breach of the Agreement.
- 6.5 Broadcaster shall provide 2 Viewing Cards (VC) and required PIRD (Professional Integrated Receiver Decoders or CAM Modules (CAM) of the Channel to 'Operator' to enable down-linking of the same. The VC & PIRD/CAM shall be and remain the property of the Broadcaster. In case of defect in any VC & PIRD/CAM, Broadcaster shall arrange to replace the same within 72 hours of receiving notice from 'Operator'.
- 6.6 In the event Broadcaster desires to change the Name, Genre, Type of Content, Language and Quality of the Content transmitted on the FTA/Pay Channel then it shall give prior written notice of at least forty five (45) days to 'Operator'.
- 6.7 If the Broadcaster decides to convert FTA channel into Pay channel or Pay channel into FTA channel then the Broadcaster shall continue to provide such converted channel to 'Operator' in terms of this Agreement and continue to pay the Carriage Fee agreed hereunder till the expiry of the Term and/or till such mutually extended Term thereafter.
- 6.8 If the Broadcaster decides to convert Standard Definition ('SD') channel into High Definition ('HD') channel or vice versa then the Broadcaster shall continue to provide such converted channel to 'Operator' in terms of this Agreement and continue to pay the Carriage Fee agreed hereunder till the expiry of the Term and/or till such mutually extended Term thereafter.
- 6.9 Broadcaster shall be responsible to obtain all necessary rights, permissions, public performance license or any other licenses from all third parties including but not limited to Indian Performing Rights Society Limited, Phonographic Performance Limited and / or copyright owners and / or societies, trade unions, guilds, associations (collectively referred to as "Right Holders") that may be required to enable 'Operator' to exploit the content on the Channel/s or otherwise

including without limitation all underlying works in all literary, dramatic or musical materials written or composed for use in the content.

- 6.10 In the event any notices, demand or claims are raised in connection with the Channel or content thereof, the Broadcaster shall be liable, at its own costs, to promptly and diligently settle such notices, demands and claims. In case of breach of this Clause 6.10 by the Broadcaster, Broadcaster shall indemnify 'Operator' and make the losses good. It is agreed that for all payments such as royalties the Broadcaster shall be solely responsible and liable and 'Operator' shall always stand indemnified in this regard by the Broadcaster.
- 6.11 The Broadcaster shall not disconnect the signals of TV Channels, without giving three weeks' notice to 'Operator' clearly specifying the reasons for the proposed disconnection as envisaged in the Interconnection Regulation. However the Broadcaster shall be under obligation to pay the Carriage Fee under this Agreement to 'Operator' in its entirety.
- 6.12 **EPG:** Broadcaster shall provide to Operator information in format reasonably requested by Operator or any third-party appointed by the Operator for this purpose ; presently known as "Electronic Programming Guide" or other navigational tools for the Operator's DTH Platform. This shall include the listing of the programs on Channel(s) as well as the synopsis of the Programs within the character limit specified by the Operator or the Third Party authorized by Operator, in this regard. This shall be sent by Broadcaster at least 7 days before the scheduled on-air time and date of the programs.

## **7. TERM OF THE AGREEMENT:**

7.1 The Agreement shall commence on\_\_\_\_\_ and remain in force for a period of one year till\_\_\_\_\_, unless terminated by either Party as per the terms and conditions of this Agreement.

7.2 The Interconnection Agreement shall expire due to efflux of time at the end of the Term as captured under Clause 7.1 above. Both the Parties shall enter into a new written interconnection agreement for continuing carrying the Channel(s) beyond the Term of the Interconnection Agreement in accordance with the Interconnect policy of Operator at that period in accordance with the Applicable Law. In the event, the Parties fail to enter into a new interconnection agreement before the expiry of the existing Interconnection Agreement,

## **8. TERMINATION OF THE AGREEMENT:**

- 8.1 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

- 8.2 This Agreement may be terminated by 'Operator' in case the parties fail to enter into new interconnection agreement at least 30 days 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.
- 8.3 If the Broadcaster does not comply with the Applicable laws/regulations/codes, including but not limited to the Advertisement Code, Programme Code as prescribed in the Cable Television Networks Act 1995, 'Operator' shall be at liberty to immediately discontinue the Channel from its DTH platform and terminate the Agreement. It is clarified that in such a situation, the Broadcaster shall be fully liable for such defaults/non-compliance and shall indemnify 'Operator' for all the cost and consequences arising therefrom.
- 8.4 If the Broadcaster 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 'Operator' at least 90 days prior to such discontinuation.
- 8.5 If 'Operator' 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 Broadcaster at least 90 days prior to such discontinuation.
- 8.6 Operator reserves the right to terminate this RIO/Interconnection Agreement only to the extent of that particular Channel(s) or for all the Channel(s) as deem fit by Operator.
- 8.7 Notwithstanding any contained elsewhere in this Agreement, it shall be permissible to 'Operator' to discontinue carrying of a television channel in terms of the Applicable Regulation, in case the monthly subscription percentage for the Channel is less than discontinuation threshold as per Annexure-C, in each of the immediately preceding six consecutive months.
9. **EFFECT OF TERMINATION AND EXPIRY:** In the event of termination or expiry of the term of the Agreement, as the case may be, at the instance of either Party, Broadcaster shall pay to 'Operator' all amounts due and payable up to the date of termination or expiry and 'Operator' shall be entitled to not to carry the Channel on its DTH platform.
10. **RIGHTS OF 'OPERATOR':**
- 10.1 'Operator' shall have the right to finalize the distribution retail price of each channel, as payable by the subscriber in compliance with the provisions of Applicable Laws and rules, regulations and tariff orders and the Broadcasters shall have no objection thereto.
- 10.2 'Operator' shall have the right to package the channels offered on the network, as per its business plan and as per prevailing norms, policies, the Applicable Laws

and rules, regulations and tariff orders and the Broadcasters shall have no objection thereto.

10.3 'Operator' shall have the right to finalize the rates of bouquets of channels, if offered by the Broadcaster, in compliance with the provisions of the applicable tariff orders and regulations notified by the Authority.

10.4 'Operator' shall have the right to get all requisite information from the Broadcaster for the purpose of fulfilling its responsibilities under the Agreement, and the applicable orders and regulations.

10.5 Operator reserves the right to encash the Bank Guarantee in the event where Broadcaster defaults to make payment for a consecutive period of 3 months in accordance with Payment Terms of this Agreement or if the amount owed by the Broadcaster reaches equivalent of the Bank Guarantee amount.

11. **RIGHT OF THE BROADCASTER:** The Broadcaster shall have right to get all the requisite information from 'Operator' for the purpose of fulfilling its responsibilities under the Agreement, and the applicable orders and regulations.

12. **REPRESENTATION AND WARRANTY OF THE BROADCASTER:**

12.1 The Broadcaster hereby agrees, represents, warrants and covenants that: -

- a. It has requisite power and authority to enter into this Agreement and to fully perform respective obligation hereunder;
- b. The content of the Channel shall be in compliance with all the laws which are applicable for Content in television channels including but not limited to Advertisement Code, Programme Code as prescribed in the Cable Television Networks Act 1995, all Regulations made applicable to broadcasters by any Governmental authority. The Broadcaster shall take necessary measures to prohibit access to pornographic channel or to secret, anti national message/ content in the Channel.
- c. It is in compliance of and shall always comply with the provisions of the Applicable regulations including but not limited to the requirements of transparency and non-discrimination and if the Broadcaster, at any time during the Term of this Agreement, offers a better arrangement to any other distributor of TV channel for carriage of the Channels on their distribution platform including but not limited to payment of any sum in any other form and nomenclature, the Broadcaster shall immediately offer the same to 'Operator' and the terms of this Agreement shall change accordingly if 'Operator' so chooses to accepts such offer.
- d. Has the sole, unencumbered and exclusive right, title and interest to the intellectual property rights, trademarks, trade names, service marks, logos, materials including without limitation the name of the Channel(s), and therefore has the right to sign this RIO and/or execute the Interconnection Agreement and further grant the aforesaid rights to Operator
- e. **Has the** sole, unencumbered and exclusive right, title and interest to the Channel(s) and/or distribute the Channel(s) and/or the content transmitted on the Channel(s) including without limitation the films, individual programmes on

the Channel(s), and therefore has the right to enter into this Interconnection Agreement and further grant the aforesaid rights to Operator.

- f. Has obtained and shall keep valid all licenses, approvals and permission, for the operation and transmission of the Channel(s) and/or the content broadcast on the Channel(s), from all third parties including without limitation government bodies, statutory authorities, government department, ministries.
- g. All the regulatory approvals enclosed with the Application Forms and all other documents are complete copies of the original and remain in full force and effect and none of its terms or conditions has been amended, varied or waived in any manner whatsoever, whether by course of conduct or otherwise. The Broadcaster further represents and warrants that all the regulatory approvals and licensed enclosed with the Application Form, including the license issued by the Ministry of Information and Broadcasting, would be renewed, as required under the Applicable Laws, before expiry of such regulatory approvals and/or licenses.
- h. In the event, the Broadcaster changes the name of the Channel(s) or the genre of the Channel(s) or such other details mentioned in the approval issued by the MIB, the Broadcaster undertakes to immediately inform Operator and submit a copy of the amended/modified MIB approval for the records of Operator records. Such amended approvals submitted by Broadcaster, shall then form a part of the RIO/Interconnection Agreement.
- i. The content of all Channel(s) is and shall confirm to the Applicable Laws, the content code as specified by the MIB, guidelines, regulations, advisory, directive, orders issued/passed by self-regulatory bodies, judicial bodies, quasi-judicial bodies, quasi government bodies, Indian Broadcasting Foundation, News Broadcasters Association, ministry(ies), courts, tribunal, government organization(s), including Central Board of Film Certification in India, TRAI. 12.2 The parties represent to each other that each warranty which is set out in this Article or which could be treated as a separate warranty shall be construed independently of any other. Each of the warranties is a separate and independent warranty, representation and undertaking and the rights of the Broadcaster under, and the meaning given to, any one such warranty shall not be restricted by reference to any other warranty.

13. **ANTI PIRACY:** Operator shall not authorize or cause any portion of the Channels to be recorded, duplicated, telecast, exhibited or otherwise used for any purpose other than as set forth under this Agreement. Nothing in this Agreement shall prohibit DVR/PVR recording through in-built Hardware in STB/ external USB drive or Cloud Storage for Operator's Subscribers.

14. **INTELLECTUAL PROPERTY:**

**14.1 OPERATOR INTELLECTUAL PROPERTY:** Broadcaster acknowledges that all legal and beneficial right, title and interest in Operator's trademarks, trade names, service marks and logos ('**Operator Marks**') shall be and shall remain the exclusive property of the Operator. To the extent that any legal or beneficial interest in Operator Marks should for any reason vest in Broadcaster during the Term, Broadcaster hereby assigns such interest to the Operator. Broadcaster shall not claim adversely

to or challenge the rights of the Operator with respect to the Operator Marks. To the extent any of such rights are deemed to accrue to Broadcaster, Broadcaster shall not use any material containing any of the Operator Marks without the prior written consent of the Operator. If the Operator authorizes such use, Broadcaster shall use the Operator Marks only and only in accordance with the Operator's instructions. The Operator reserves the right to inspect any such material at any time without prior written notice. Broadcaster shall not use any of the Operator Marks as part of a corporate name or of a trade name, register or use any name or mark, which is the same as, which contains or which, in the opinion of the Operator resembles any of the Operator Marks. Within thirty (30) days after termination of this Agreement, Broadcaster shall return to the Operator or, at the Operator's request, destroy all material containing, and all material used for the purpose of printing or reproducing any Operator Marks or any other names or marks that in the reasonable opinion of the Operator are similar to any Operator Mark.

**14.2 BROADCASTER INTELLECTUAL PROPERTY:** Operator acknowledge that all legal and beneficial right, title and interest in Broadcaster/Channel's or its licensor's trademarks, trade names, service marks and logos ('Broadcaster Marks') shall be and shall remain the exclusive property of the Broadcaster and/or its licensors. To the extent that any legal or beneficial interest in Broadcaster Marks should for any reason vest in Operator during the Term, Operator hereby assign such interest to the Broadcaster and/or its licensor. Operator shall not claim adversely to or challenge the rights of the Broadcaster and/or its licensors with respect to the Broadcaster/Broadcaster's licensor's Marks. To the extent any of such rights are deemed to accrue to Operator, Operator shall not use any material containing any of the Broadcaster Marks/ or its licensor's marks without the prior written consent of Broadcaster. Broadcaster's approval of Operator's use of the Broadcaster Marks /or its licensor's marks in one format will extend to identical uses by Operator in any other formats provided the context of such use is not materially changed. If Broadcaster authorizes such use, Operator shall use the Broadcaster / or its licensor's Marks only and only in accordance with the Broadcaster's instructions. Broadcaster reserves the right to inspect any such material at any time without prior written notice. Operator shall not use any of the Broadcaster Marks or its licensor's marks as part of a corporate name or of a trade name, register or use any name or mark which contains or in the opinion of the Broadcaster, is the same as or resembles any of the Broadcaster Marks or its licensor's marks. Within thirty (30) days after termination of this Agreement, Operator shall return to the Broadcaster or, at the Broadcaster's request, destroy all material containing, and all material used for the purpose of printing or reproducing any Broadcaster Marks or its licensor's marks.

**15. INDEMNIFICATION & LIMITATION ON LIABILITY:**

15.1 Broadcaster shall indemnify, defend and hold harmless 'Operator' and its officers, directors, employees, and agents against and from any and all third party claims, lawsuits, costs, liabilities, judgments, damages and expenses (including, without limitation, reasonable attorneys' fees) arising out of or in connection with:

- (i) Breach of any of the warranties and representations provided by Broadcaster, other provisions of this Agreement, Applicable Laws, rules, regulations and Codes such as Programming and Advertising Codes etc.,
  - (ii) The distribution by 'Operator' of the Channel through the DTH services, in accordance with the terms of this Agreement which if results in a violation of the rights of any third party, including any intellectual property rights.
- 15.2 Under no circumstances shall either Party be liable to the other for any indirect, special or consequential loss or damages arising under this Agreement.

16. **CONFIDENTIALITY:**

- 16.1 'Operator' and the Broadcaster will keep in confidence any information of a confidential nature obtained under this Contract and will not divulge it to any person (other than their employees who need to know the information and subject to their employer making them fully aware of and causing them to comply with the provisions of this Article) without the consent of the other party.
- 16.2 Article 16.1 will not apply to:
- a. Information in the public domain otherwise than in breach of this Contract;
  - b. Information in the possession of the receiving party prior to its disclosure to them under the terms of this Contract;
  - c. Information obtained from a third party who is free to divulge it;
  - d. Information which is independently developed by the receiving party without any breach of confidentiality under this Contract or otherwise; or
  - e. Disclosure of information as required by a court of law or other competent authority.

17. **AMENDMENT:** No amendment to this Agreement will be valid unless confirmed mutually by the parties to this Agreement.

18. **FORCE MAJEURE:** Failure on the part of the either party to perform any of its obligations shall not entitle the other party to raise any claim against the either party or be a breach hereunder to the extent that such failure arises from an event of force Majeure. If through force Majeure the fulfillment by either party of any obligation set forth in this Agreement will be delayed, the period of such delay will not be counted on in computing periods prescribed by this Agreement. Force Majeure will include any war, civil commotion, governmental action, accident, epidemic or any other event of any nature or kind whatsoever beyond the control of the either party. It is agreed between the Parties that lack of funds shall not in any event constitute or be considered an event of force Majeure. If the condition of force Majeure shall continue for a period exceeding sixty (60) days, then the Parties shall meet to decide upon the future performance of the Agreement. If the Parties are unable to agree upon a plan for future performance then the Agreement shall be terminated upon notice of either party to the other, on the thirtieth day after the notice is given.

19. **SEVERANCE:** In the event that any provision of this Agreement is declared by any judicial or other competent authority to be void, voidable, illegal or otherwise

unenforceable, or indications of the same are received by either of the parties from any relevant competent authority, the parties shall amend that provision in such reasonable manner as achieves the intention of the parties without illegality or it may be severed from this Agreement, and the remaining provisions of this Agreement shall remain in full force and effect unless the parties to this agreement decide that the effect of such declaration is to defeat the original intention of the parties in which event either Party to this Agreement shall be entitled to terminate this Agreement by 30 days' notice to the other Party and the provisions of this agreement shall apply accordingly.

20. **ENTIRE AGREEMENT:** The Parties to this Agreement acknowledge that this Agreement contain[s] the whole agreement between the parties and it either Party has not relied upon any oral or written representations made to it by either party or its employees or agents and has made its own independent investigations into all matters relevant to the Business. This Agreement supersedes any prior agreement between the parties whether written or oral and any such prior agreements are cancelled as at the Commencement Date but without prejudice to any rights, which have already accrued to either of the parties
21. **NOTICES:** Any Notice to be served on either of the parties by the other shall be sent by prepaid recorded delivery or registered post or by telex/Fax/E-mail at the Notice Address as given below and shall be deemed to have been received by the addressee within 72 hours of posting or 24 hours if sent by telex/Fax or by electronic mail to the correct telex number (with correct answerback) of the addressee.

**To 'Operator':**  
BHARTI TELEMEDIA LTD.  
Airtel Center,  
Plot No. 16,  
Udyog Vihar-IV,  
Gurgaon- 122015

**To the Broadcaster:**

Attention:  
Phone:  
E-mail:  
Fax:

Attention:  
Phone:  
E-mail:  
Fax:

Details of the person to be contacted for interconnection request and grievance redressal thereof are mentioned in **Annexure B**.

22. **NO PARTNERSHIP:** This Agreement is being entered into on a principal to principal and non-exclusive basis. The parties are not partners nor into joint ventures nor shall 'Operator' act as an agent of Broadcaster. Either of the party shall not attempt to incur any liability on behalf of the other party and shall not hold itself out to any third party as being able to do so.



23. **WAIVER:** The failure by either party to enforce at any time or for any period any one or more of the terms or conditions of this Agreement shall not be a waiver of them or of the right at any time subsequently to enforce all terms and conditions of this Agreement

24. **APPLICABLE LAW, JURISDICTION, DISPUTE RESOLUTION:**

24.1 This Agreement shall be construed and the legal relations between the Parties hereto shall be determined and governed according to the laws of India and the Courts of Delhi shall have sole jurisdiction. All disputes, difference or disagreement arising out of, in connection with or in relation to this Agreement shall be mutually discussed and settled between the Parties. The parties acknowledge that TDSAT shall have exclusive jurisdiction in respect of any dispute between the parties, arising out of, in connection with or as a result of the Agreement.

24.2 It is clearly understood and agreed that the provisions of the TRAI Act & Regulations made there under, from time to time, and any regulation / policy laid down by Ministry of Information and Broadcasting, India from time to time shall be completely applicable to the present Agreement and none of the clauses contained herein shall be interpreted in a manner as may be in derogation of the said provisions and Regulations.

IN WITNESS WHEREOF, the parties have set their hands and seals to this Agreement in the presence of the below stated witnesses

**For BHARTI TELEMEDIA LTD.**

**For** \_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Name:

Name:

Title:

Title:

WITNESS:

WITNESS:

## **ANNEXURE - A**

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:-

<b>Sl.</b>	<b>Calculation of the carriage fee amount</b>
1	If monthly subscription for the Channel in the Target Market is less than five percent of the average active subscriber base of 'OPERATOR' in that month in the Target Market, then the carriage fee amount shall be equal to the rate of carriage fee of the Channel per subscriber per month, as provided in Clause 4 of this Agreement, multiplied by the average active subscriber base of 'OPERATOR' in that month in the Target Market.
2	If monthly subscription for the 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 'OPERATOR' in that month in the Target Market, then the carriage fee amount shall be equal to the rate of carriage fee of the Channels per subscriber per month, as provided in Clause 4, multiplied by 0.75 times of the average active subscriber base of 'OPERATOR' in that month in the Target Market.
3	If monthly subscription for the 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 'OPERATOR' in that month in the Target Market, then the carriage fee amount shall be equal to the rate of carriage fee of the Channel per subscriber per month, as provided in Clause 4, multiplied by 0.5 times of the average active subscriber base of 'OPERATOR' in that month in the Target Market.
4	If monthly subscription for the 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 'OPERATOR' in that month in the Target Market, then the carriage fee amount shall be equal to the rate of carriage fee of the Channel per subscriber per month, as provided in Clause 4, multiplied by 0.25 times of the average active subscriber base of 'OPERATOR' in that month in the Target Market.
5	If monthly subscription for the Channel in the Target Market is greater than or equal to twenty percent of the average active subscriber base of 'OPERATOR' 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 'OPERATOR' in that month in the Target Market shall be of the Subscribers capable of receiving high definition television channels.

(2) The average active subscriber base of 'OPERATOR' in a month shall be calculated in the manner as prescribed in the Schedule VII of 'The Telecommunication (Broadcasting and Cable) Services Interconnection (Addressable Systems) Regulations, 2017' or any amendment thereto.

(3) The monthly subscription for the Channel shall be calculated in the manner as prescribed in the Schedule VII of 'The Telecommunication (Broadcasting and Cable) Services Interconnection (Addressable Systems) Regulations, 2017' or any amendment thereto.

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

### **ILLUSTRATIO**

#### **N-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	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

## **ANNEXURE - B**

Details of the person to be contacted for interconnection request and grievance redressal thereof:

1. Name : Anuradha Bisht
2. Telephone Numbers : +91-11-46666100
3. E-mail addresses : [content-dth@airtel.com](mailto:content-dth@airtel.com); [Anuradha.bisht@airtel.com](mailto:Anuradha.bisht@airtel.com)

**ANNEXURE-C**  
**DISCONTINUATION THRESHOLD**

**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	<b>2.856</b>
2	English	128539090	10.62	<b>0.531</b>
3	Bengali	107472243	8.88	<b>0.444</b>
4	Telugu	94501603	7.8	<b>0.390</b>
5	Marathi	99058786	8.18	<b>0.409</b>
6	Tamil	76595866	6.33	<b>0.317</b>
7	Urdu	63239445	5.22	<b>0.261</b>
8	Gujarati	60289309	4.98	<b>0.249</b>
9	Kannada	58750799	4.85	<b>0.243</b>
10	Malayalam	35639342	2.94	<b>0.147</b>
11	Odia	42589333	3.52	<b>0.176</b>
12	Punjabi	36081753	2.98	<b>0.149</b>
13	Assamese	23629076	1.95	<b>0.098</b>
14	Any other language	14284294	1	<b>0.050</b>

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

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(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.

(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.

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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:

$$= 5\% \text{ of } (85.97\% \text{ of its subscriber base in Gujarat}) + 5\% \text{ of } (50.83\% \text{ of its subscriber base in Daman \& Diu}) + 5\% \text{ of } (21.48\% \text{ of its subscriber base in Dadra \& Nagar Haveli})$$

$$= 5\% \times (85.97\% \times 1,50,000) + 5\% \times (50.83\% \times 40,000) + 5\% \times (21.48\% \times 10,000)$$

$$= 6448 + 1017 + 107$$

$$= 7572$$

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:

$$= 5\% \text{ of } (57.11\% \text{ of its subscriber base}) + 5\% \text{ of } (10.62\% \text{ of its subscriber base})$$

$$= 5\% \times [(57.11+10.62) \% \text{ of } 1,00,00,000]$$

$$= 3,38,650$$

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."

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