HATHWAY CABLE & DATACOM LIMITED

REFERENCE INTERCONNECTION OFFER

This Reference Interconnection Offer (hereinafter referred to as "RIO") for Digital Addressable Cable Television Systems, inter alia , specifies and outlines the broad technical and commercial terms and conditions upon which Hathway Cable & Datacom Limited (hereinafter referred to as "the Company") shall provide access to its cable television network (hereinafter refered to as "the company's network"). The company's networks are more particularly described in Schedule 1 annexed hereto. The Party who shall make the request to the company to provide access to the company's network is hereinafter for brevity sake refered to as "the Broadcaster".

Terms and Conditions :

1. Carriage Fees and other costs

   The Broadcaster hereby requests the company to carry its TV channel/s (which are more particularly described in Schedule 2 annexed hereto) and pursuant to the request made by the Broadcaster, the Company has agreed to carry the TV channel/s of the Broadcaster and provide access to all the cable television networks more particularly mentioned in Annexure 1 and the entire subscriber base for the cable television networks more particularly mentioned in Annexure 1. In consideration for the company agreeing to provide access to the company's network, the Broadcaster shall pay to the company a Carriage Fee in the sum of Rs.1.95/- (Rupees One and Ninety Five paise only) per set top box per month per channel, plus service tax as may be applicable, for the entire subscriber base for the cable television networks more particularly mentioned in Annexure 1 during the entire term of the agreement. The basis for determining the carriage fee is the fundamental element of cost that the company has incurred in setting up a digital addressable system for its cable television networks more particularly mentioned in Annexure 1.

The cost has been divided into two broad categories:

i. Capital cost

ii. Operating cost

i. The company has incurred the following capital costs:

- Setting up digital head ends with the capacity to carry upto 500 channels which includes additional UPS, Gensets, batteries, Air-conditioning equipments and Fire prevention systems.
- Setting up a system for Conditional Access which includes the License fee, monitoring Solutions server and middleware additional costs, Third Party Servers,
- Subscriber management system which includes application server, database servers, oracle enterprise servers.
- Billing system which includes MQ software license fees.
- Set top box subsidies.
- Additional optic fibre cable laid and leased to carry the enhanced capacity of 500 channels.

This capital expenditure has been amortised over 8 years.

ii. The company shall incur the following recurring operational costs on a monthly basis.

- Manpower requirements to supervise the distribution of Digital services
- Cost for running and upkeep of the Head End including relating to the premises where the Head End is situate.
- Interest costs on borrowing for the project.
- Other service costs.

The broadcaster recognises that by reason of the aforesaid capital and operative costs the price of a Set Top Box ("STB") at the rates proposed to be offered by the company to the subscriber will yield a negative return to the company.

The Broadcaster recognises and agrees that in order that the company retain its vast subscriber base and in order to make the STB available to the subscriber at competitive/subsidised rates the broadcaster is offering to pay the abovementioned Carriage Fee to access the cable television network of the company.

2. <u>Payment and other terms</u>

2.1 The Carriage fee shall be paid in full, in advance, on or before the 10th day of the month in which it is due. For e.g. the carriage fee for the month of June 2012 shall be paid on 10th June 2012 based on the closing subscriber numbers of the previous month.

2.2 The company shall within 5 days from the start of a month, raise an invoice upon the Broadcaster based on which the Broadcaster shall make payment against the invoice raised. Even if the company fails to raise their invoice within the time stipulated hereinabove, the Broadcaster shall still be liable and continue to be liable to pay the carriage fee for that particular month within the time period stipulated in clause 2.1 above.

2.3 If the Payment of carriage fee is subject to any withholding of tax or TDS in accordance with the provisions of the Indian Income Tax Act 1961, the Broadcaster shall provide tax withholding certificates to the Company within such period as may be specified under the prevalent laws of India.

2.4 If the Broadcaster fails or neglects to make payment of the carriage fee with the time period stipulated in clause 2.1 above, then the Broadcaster shall be liable to pay interest on the delayed payment at the rate of 12% per annum from the due date till the date of payment.

2.5 If the Broadcaster suspends or disconnects the signals of its TV channels to the company, for reasons or actions directly attributable to the company, the company shall not be entitled to any carriage fee for the entire period of the suspension or discontinuation of signals.

2.6 The company shall carry the TV Channels of the Broadcaster without any editing, delays, interruptions additions, deletions and alterations except as necessary in relation to the Electronic Program Guide (“EPG”) and related services.

2.7 The company shall ensure that the quality of the signals of the Broadcaster’s TV channel/s conform to the prevailing norms and standards.

3. <u>Term</u>

The Carriage agreement shall be valid for a period of ___ months effective from and including ________ [day & month] 2012 and shall be valid upto ________ [day, month & year].

4. <u>Termination</u>

4.1 Termination on the happening of an event

The agreement may be terminated by the Company or the Broadcaster prior to its expiry in the following circumstances:

i. In the event of a material breach by either party of their obligations under the agreement by giving a prior notice of 15 days in writing to the defaulting party.

ii. Non payment of carriage fees by the Broadcaster before the due date.

iii. bankruptcy, insolvency or the appointment of a Receiver or the appointment of a Liquidator over the assets of that party.

iv. If the Broadcaster's licence to broadcast/ downlinking license is revoked, cancelled, suspended or withdrawn.

v. If the Company's registration under the prevailing laws is cancelled or revoked or suspended.

4.2 Termination at will

Notwithstanding all that is stated in clause 4.1 above ,both the Company and the Broadcaster shall have the right to terminate the agreement at will by giving to the other party a prior notice of 30 days in writing of its intention to terminate the agreement.

5. <u>Jurisdiction</u>

The agreement shall be governed by Indian law and the Telecom Dispute and Settlement Tribunal shall have jurisdiction to try and entertain any dispute or differences between the parties arising out or in connection with or in any manner relating to the agreement.

SCHEDULE 1

[Description of the network of the company including its Joint Ventures, Affiliate Companies and Subsidiaries in Mumbai, Delhi and Kolkatta]

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SCHEDULE 2

[Details of the Broadcaster's TV channels]

(to be filled up on execution)