



File No. VAS-4/IVR-Hungama/2012

Dated: 13-09-2012

To

1. The All Chief General Manager Telecomm circles, Chennai TD / Calcutta TD, BHARAT SANCHAR NIGAM LIMITED.
2. GM (CMTS), Chandigarh / Pune / Kolkatta / Trichy.

**Subject:** - *Signing of the Agreement with M/s Hungama Digital Media Entertainment Private Limited for provision Value Added Services through voice based platform/ human assisted platform to the GSM subscribers in all circles of BSNL-regarding.*

BSNL has signed Agreement with M/s Hungama Digital Media Entertainment Pvt. Limited for provision of voice based Value Added Services to the GSM subscribers BSNL in All Circles on 21<sup>st</sup> August, 2012 for twenty seven months. The soft copy of the renewed agreement is being uploaded on BSNL's internet: [www.intranet.bsnl.co.in](http://www.intranet.bsnl.co.in). The short codes proposed for the services will be 54646-(upto 3 digit suffix support).

2. To comply with the direction of TRAI dated 4<sup>th</sup> July, 2011, short code 5464600 (Toll free) may be opened for MO SMS and MT SMS for M/s Hungama Digital Media Entertainment Pvt. Ltd. to obtain confirmation from customers. It is to be ensured that MO SMS and MT SMS connectivity will be used for this specific purpose only.

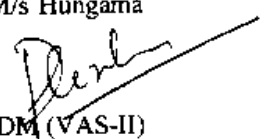
3. EIs for out Bound Dialing (OBD) Facility free of cost be provided for Voice Chat Service only. These out channels are permitted for Voice Chat service only and not for any other purpose. In case if any deviation is found in OBD, the facility should be withdrawn immediately without any notice. These out channels facility are to make calls to only BSNL subscribers within Zone. Further the number of EIs may be finalized by the concerned field units in consultation with M/s Hungama Digital Media Entertainment Pvt. Ltd. in accordance to meet the grade of service 1 in 500.

4. The Agreement has the stipulation of submission of Bank Guarantee of Rs. Forty Lakh for all circles of BSNL. The BG submitted by M/s Hungama Digital Media Entertainment Pvt. Limited has been retained in VAS branch, BSNL Corporate Office. If any BSNL unit finds/notices any violation/breach of any of the terms & conditions of the Agreement warranting the forfeiture of the BG, the same should be immediately brought to the notice of VAS Branch for further action.

5. The names and contact details of the persons coordinating on behalf of M/s Hungama Digital Media Entertainment Pvt. Limited on any technical issue/ problem are as under:

| Sr.No | Name of contact person | Contact details                     |
|-------|------------------------|-------------------------------------|
| 01    | Jatin Madan            | 9899304677 jatin.madan@hungama.com  |
| 02    | Gaurav Verma           | 9999147861 gaurav.verma@hungama.com |

6. M/s Hungama Digital Media Entertainment Pvt. Limited shall be responsible for properly intimating /advising/informing the subscribers about the tariff applicable in accessing these services in all its communications pertaining to such services, in compliance of the directives issued by the TRAI from time to time. The concerned field units of BSNL have to ensure the compliance for the same. In case any violation is noticed, M/s Hungama Digital Media Entertainment Pvt. Limited be suitably warned under intimation to this office.

  
DM (VAS-II)

Copy to:

1. Director (CM) / Director (Finance), BSNL Board.
2. GM(NW Operations-GSM) / GM(Corporate Mktg) / GM(Reg.) / GM(Sales & Mktg) / GM(NW)-CFA / GM(Business-Plg)-Ent, BSNL CO. New Delhi for information please.
3. M/s Hungama Digital Media Entertainment Private Limited, along with the copy of the Agreement.

Received.  
13/09/2012  

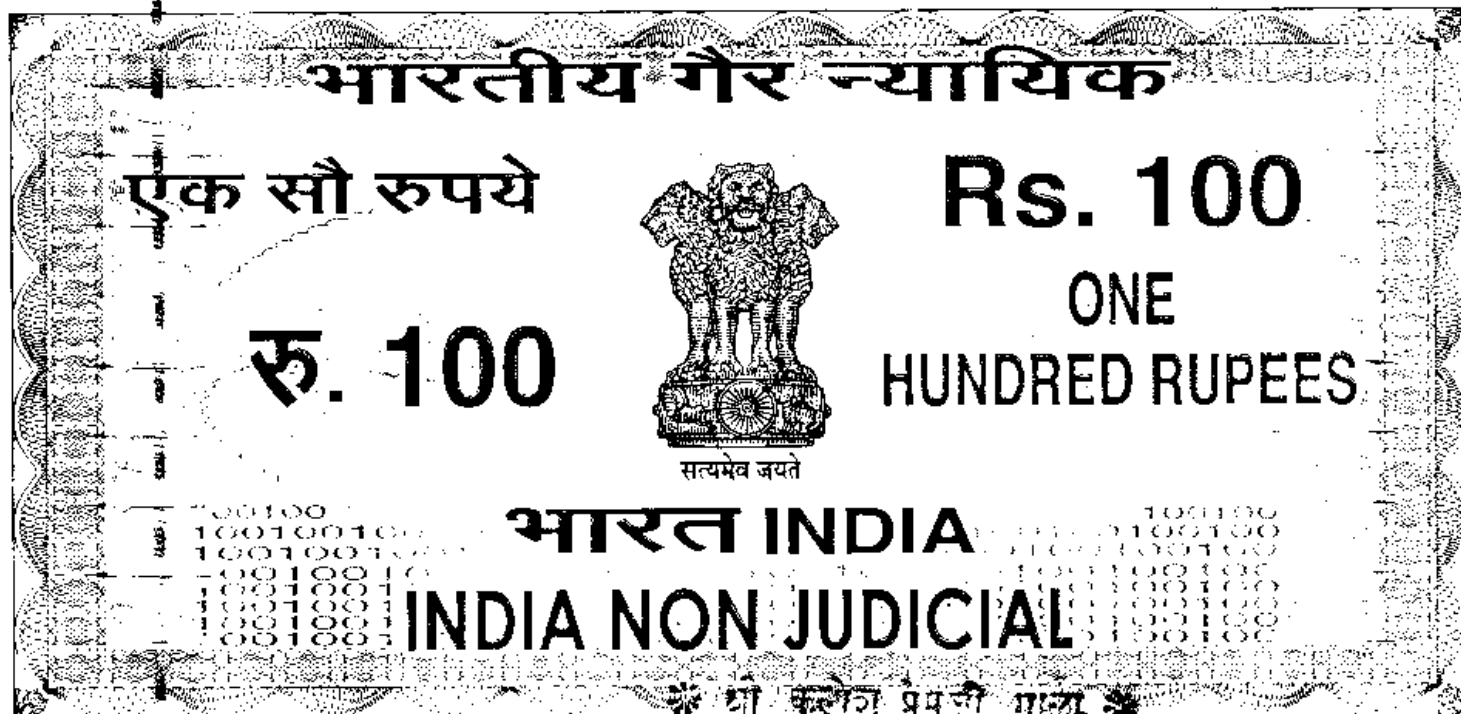

# **BHARAT SANCHAR NIGAM LTD.**

(A Govt. of India Enterprise)

## **AGREEMENT WITH M/S HUNGAMA DIGITAL MEDIA ENTERTAINMENT PRIVATE LIMITED FOR PROVISION OF VOICE BASED VALUE ADDED SERVICES THROUGH IVR PLATFORM OR HUMAN ASSISTED PLATFORM TO GSM SUBSCRIBERS OF BSNL IN ALL FOUR ZONES**

**NO. VAS-4/IVR-HUNGAMA/2012**

**TOTAL PAGES::33 Pages**



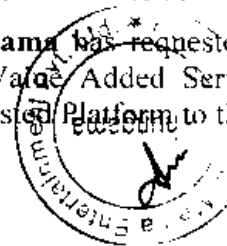
**AGREEMENT FOR PROVISION OF VOICE BASED VALUE ADDED SERVICES  
THROUGH IVR OR HUMAN ASSISTED PLATFORM TO THE GSM SUBSCRIBERS  
OF BSNL**

AND

**M/S HUNGAMA DIGITAL MEDIA ENTERTAINMENT PRIVATE LIMITED**, a company registered under the Companies Act 1956, having its registered office at F-1, 1st Floor, Laxmi Woolen Mills Estate, Shakti Mills Lane, off. Dr. E. Moses Road, Mahalaxmi, Mumbai 400011 acting through **Shri Anuj Bajpai**, the authorized signatory (hereinafter called Hungama which expression shall, unless repugnant to the context, include its successors in business, administrators, liquidators and assigns or legal representatives) of the **SECOND PARTY**.

The Value Added Service Provider hereinafter referred as **Hungama** has requested to Sign an agreement with BSNL for provision of Voice based Value Added Services through IVR (Interactive Voice Response) Platform or Human Assisted Platform to the

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GSM subscribers of BSNL in all four Zones of BSNL on non-exclusive, cost of content/services on revenue sharing basis.

- b. Whereupon and in pursuance to the said request, BSNL has agreed to sign the agreement with M/S Hungama Technologies Pvt. Ltd. to provide Voice based Value Added Services to its GSM subscribers in **All Four Zones of BSNL**.

**NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:**

1. In consideration of the due observance & performance of all the terms and conditions mentioned in this agreement on the part of Hungama, BSNL and Hungama agree to sign agreement on non-exclusive and cost of content/services (revenue sharing) basis to provide the Voice based Value Added Services through IVR (Interactive Voice Response) Platform or Human Assisted Platform to the GSM subscribers of BSNL in **All Zones of BSNL** as per the conditions contained in Part I, Part II & Part III along with those in Annexure I, II, III & IV being part of the agreement.
2. It shall be valid for a period of for **Two years & Three Months i.e. 27 months** from the date of signing of the Agreement unless revoked earlier (out of which, 3 months shall be for installation, integration of the equipment/ system with BSNL network and starting of the services). BSNL may extend, if deemed expedient, for two years on year-to-year basis provided the performance of the **Hungama** is satisfactory, meets the applicable minimum top-line revenue commitment and the **Hungama** is willing to give further commitment to generate applicable minimum top-line revenue during the period of extension, backed up with due BG and as per prevailing policy of BSNL at that time. **The decision of BSNL shall be final in this regard.**
3. **Hungama** and BSNL hereby agree and unequivocally undertake to fully comply with all terms and conditions stipulated in agreement along with Part I to III & I to IV attached hereto and without any deviation or reservations of any kind, unless mutually agreed between the parties at any given time.
4. BSNL reserves the right to provide the voice based VAS on its own or to enter into Agreement with other service providers/companies for providing similar services in its licensed service area(s) from time to time in future without any restriction on number of VAS providers.
5. The laws of land as promulgated/ modified/ amended or replaced from time to time shall govern this Agreement. **Hungama** shall ensure the compliance of all laws/ rules/ regulations/ guidelines/ directives/ instructions/ etc. as may be applicable to this agreement.
6. The content to be provided as part of the Value Added Services shall conform to the applicable Indian laws. **Hungama** shall ensure that the content to be provided under this agreement is not obscene or offending to the religion, community, sect or violating any copyrights/ intellectual property rights of any third party.
7. **Hungama** shall indemnify BSNL in respect of any consequences of whatsoever nature arising on account of copyright/ intellectual property rights violation in respect of content/ technology or Nature/ Type of content being in violation of the Laws of India.



  
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8. The Agreement shall not be amended or modified or altered or changed in any way except in writing and duly executed by the authorized representative of each party.
9. The Agreement is a confidential document **Hungama** and BSNL shall not divulge any part of this Agreement either through oral or written communication or through any other mode to any third party.
10. **Hungama** shall be totally bound and obliged to comply with all applicable norms and directions issued from time to time by the Regulator (TRAI) or the Licensor (DOT) or Government of India and any new condition/ direction/ amendment/ stipulation which may be brought in force by the Regulator/ Licensor/ Government of India subsequent to the execution of this agreement, all such condition/ direction/ amendment/ stipulation should be deemed to be automatically included in this agreement.
11. **Hungama** further agrees that at no point of time it shall send any unsolicited commercial communication/ SPAM messages, to the subscribers of BSNL, in terms of The Telecom Commercial Communications Customer Preference Regulations, 2010 (6 of 2010) or any amendment thereof or any other Rules/ Regulations issued/ enforced by TRAI or regulator or a new amendment/ direction/ stipulation etc. which may be brought in force by TRAI/ regulator etc. subsequent to the execution of this Agreement.
12. **Hungama** specifically and unequivocally agrees and undertakes that in case, at any stage, the TRAI/ Regulator imposes any penalty/ damages, on BSNL, for any breach/ violation of aforesaid regulations/ direction etc., **Hungama** shall pay/ reimburse the amount of such Penalty/ damages to BSNL and the same shall be without prejudice to any other rights/ remedies available to BSNL.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed through their respective authorized representatives on the 21<sup>st</sup> day of August 2012.

*S. C. Parashar*



Signed on behalf of BSNL by Shri S.C.Parashar DGM (VAS-N)

*Anuj Bajpai*



Signed on behalf of M/s Hungama Technologies Private Limited by Shri Anuj Bajpai, the authorized signatory the authorized signatory in accordance with the Board Resolution dated 20<sup>th</sup> of April 2007 and power of attorney dated 11<sup>th</sup> October 2007.

1. Signature

Name

*P. K. Ticku*

Occupation

*DM (VAS-II)*

Address

*2001, BSNL Bhawan*

Place

*New Delhi*

2. Signature

*Jatin Madan*

Name

*Jatin Madan*

Occupation

*Sr. Group Manager*

Address

*309-310 Udyog Vihar Ph-IV, Gurgaon*

Place

*New Delhi*



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**TERMS & CONDITIONS**  
**PART-I**  
**COMMERCIAL CONDITIONS**

**1. Scope of the work**

- 1.1** The timely provision of services, regular & timely update of content and ready availability of requisite content from its legal source along with its due copyright/IPR, shall be the essence of this Agreement and shall form the central factor of this Agreement.
- 1.2** The broad list of activities agreed to be undertaken by **Hungama** would include:
- 1.2.1 Operation & Maintenance:** **Hungama** shall be responsible for Operation & Maintenance of the requisite application/content server(s) on 24 X 7 X 365 (24 hours and on all days) basis by a dedicated team. It shall include the regular monitoring & updating of the content/services based on market scenario/trends, as per customers' tastes & preferences and/or as desired by BSNL.
- 1.2.2 Content arrangement:** **Hungama** shall be responsible for arranging the required content along with the copyrights/IPRs at its own costs.
- 1.2.3 Hosting infrastructure:** **Hungama** shall be responsible for arranging the hosting infrastructure for the requisite content/applications at its own costs. (BSNL may, at its sole discretion (and availability) may allocate space for hosting such infrastructure inside its own premises at prevailing rate as per Annexure IV).
- 1.2.4 Billing information:** The necessary logs/ Call Detailed Records (CDRs) in support of delivery of content/ services through the service to facilitate differential charging shall be provided to BSNL, as per format & frequency requested for by it, by **Hungama**.
- 1.2.5 Miscellaneous:** Any other activity (ies) necessary for the successful implementation/provisioning of services.
- 1.3** **Hungama** shall provide Voice based Value Added Services through its IVR (Interactive Voice Response) Platform or its Human Assisted Platform to the GSM Telephony services subscribers of BSNL in All Zones/ Circles/ Clusters on non-exclusive and cost of content/services (revenue share) basis. BSNL has formed clusters as given below to facilitate rollout/provision of services in smaller Circles:

| Sl. | Zone  | Cluster   | Circles                                            |
|-----|-------|-----------|----------------------------------------------------|
| 1   | North | Cluster 1 | Rajasthan                                          |
|     |       | Cluster 2 | Uttar Pradesh (East)                               |
|     |       | Cluster 3 | Uttar Pradesh (West) and Uttarakhand               |
|     |       | Cluster 4 | Punjab, Haryana, Himachal Pradesh, Jammu & Kashmir |



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|   |       |            |                                            |
|---|-------|------------|--------------------------------------------|
| 2 | South | Cluster 5  | Andhra Pradesh                             |
|   |       | Cluster 6  | Karnataka                                  |
|   |       | Cluster 7  | Kerala                                     |
|   |       | Cluster 8  | Tamilnadu and Chennai                      |
| 3 | East  | Cluster 9  | Kolkata, West Bengal and Andaman & Nicobar |
|   |       | Cluster 10 | Assam, North East-I and North East-II      |
|   |       | Cluster 11 | Bihar and Jharkhand                        |
|   |       | Cluster 12 | Orissa                                     |
| 4 | West  | Cluster 13 | Gujarat                                    |
|   |       | Cluster 14 | Madhya Pradesh and Chhattisgarh            |
|   |       | Cluster 15 | Maharashtra                                |

The above clusters will be treated as one Deployment site/unit for technical and commercial purpose i.e. all the Circles falling under cluster arrangement are to be treated as one unit. The Circle having the equipment shall be responsible for commercial purpose (payment of cost of content/services share after verification and collection of Infrastructure charges, etc.).

- 1.4 The services agreed to be provided under this agreement shall be as defined under Annexure II to this agreement. No service other than contained in Annexure II of this Agreement is to be provided to the subscribers of BSNL either free or for a cost without the written approval of BSNL.
- 1.5 BSNL reserves the right to suspend the services wherever and whenever the field unit of the BSNL will be convinced that the content is outdated/ obscene/ offending to the feelings of any religion or community or sector against the Law or un-satisfactorily responsive.
- 1.6 **Hungama** has opted for Multimodal service.

2. **Duration of Agreement**

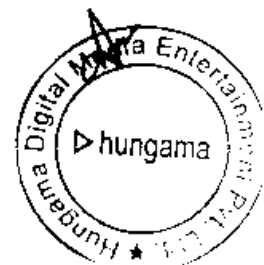
This agreement shall be valid for a period of **Twenty Seven Months** (i.e. Twenty Four Months for the services & Three months for installation, integration of the equipment/ system with BSNL network and starting of the services) from the date of signing the Agreement unless revoked earlier for whatever reasons. If at any stage during the tenure of this agreement, it comes to the notice of BSNL, directly or through some other complaint that Hungama had misrepresented the facts or submitted any false information or hidden any information, which could have affected the signing of this agreement with Hungama this agreement shall stand terminated immediately under intimation to Hungama .

3. **Extension of Agreement**

- a. BSNL may renew the agreement, if deemed expedient subject to satisfactory performance, *suo-moto* or may extend the agreement for two years on year-to-year basis provided the performance of the VAS Provider is satisfactory, meets the applicable minimum top-line revenue commitment and commits to generate applicable minimum top-line revenue during the period of extension, backed up with due BG and as per



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prevailing policy of BSNL at that time. The decision of BSNL shall be final in this regard.

#### 4. Provision of Service

##### 4.1 **Undertaking to generate Revenue during the validity period of the Agreement:**

**Hungama** shall undertake to generate the committed top line revenue of Rupees Eight Crore during the validity of the agreement. If Hungama is not able to meet the commitment, BSNL reserves the right to take necessary action for cancellation of the agreement and to encash the Bank Guarantee submitted by Hungama with no cost to BSNL.

4.2 **Hungama** shall be responsible for installation, testing, commissioning, operation and maintenance of all the equipment (hardware, software, help desks, etc.) and contents at its own cost for providing the Service under this Agreement.

4.3 **Hungama** shall also be responsible for obtaining the copyrights and complying with the Intellectual Property Rights of the content, wherever applicable. Hungama shall indemnify BSNL in respect of any consequences of whatsoever nature arising on account of copyright violation of content or content being in violation of laws of land.

4.4 It is specifically agreed by **Hungama** that it shall, at no point of time, use the services under this agreement for push messaging, unless agreed between the parties in writing save and except that BSNL undertakes to allow Hungama to use push messaging.

4.5 **Hungama** shall constantly monitor that content of the services is correct, relevant and conform to the Indian laws at all times.

4.6 Hungama shall be responsible for extending all of its latest services to the GSM/ CDMA Telephony services subscribers of BSNL without any discrimination vis-à-vis other licensed service provider(s) to whom Hungama may be providing similar services.

4.7 The services to the BSNL's GSM Telephony services subscribers by **Hungama** under this Agreement shall be continuously updated to include the latest services in line with the customer's preference & market demand from time to time.

4.8 **Hungama** shall provide assistance and guidance to authorized BSNL personnel manning the help-line/help-desk/Customer care centers/customer care line for fault rectification, for handling service disruption/de-gradation, etc. round the clock, seven days a week and 365 days a year. Hungama shall mention its help desk details in its advt. /promotion in an easily readable/comprehensible format.

#### 5. Delivery of Service

5.1 Hungama shall ensure commercial provisioning of services within **three months** of signing the Agreement in All Zones of BSNL. The verification and testing of successful integration, including proper charging, will be carried out by one of the Sub Divisional Engineers/ Junior Telecom Officer, to be nominated by the CGM of the concerned Circle/ Cluster or the GM CMTS, Nodal Center.



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## 6. Marketing of service

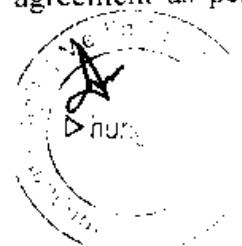
- 6.1 Hungama shall be responsible for the marketing, advertising etc. of these services at his own cost BSNL shall be under no obligation (official & legal) to market & advertise the services defined under this agreement. BSNL will not be liable any cost under any circumstances what so ever.
- 6.2 Hungama will market/ promote its services at its own cost. The expenses for promotion Campaign(s) and the extent and scope of such media advertisements etc. shall be at the discretion of Hungama. Hungama shall get pamphlets or brochure designed, approved, printed at least up to 2% of the BSNL GSM subs base in the zone or Cluster/Circle, as the case may be, and delivered to DGM (sales and marketing) office in the Circle or any other predefined single point of delivery in Circle, during first six months of the agreement and again during next 12 months. BSNL will facilitate distribution of these pamphlets / brochures through its franchisees and point of sales (POS) to those customers who will be coming to POS for recharge or buying some other BSNL products/services. BSNL will not be liable to pay any cost under any circumstances what so ever.
- 6.3 Hungama may be allowed to display / pasting of banners and hand bills etc. of the contest/services in BSNL's Customers Service Centre's and bill collection centres or other indoor locations. The printing / pasting costs of such displays will be borne by Hungama.
- 6.4 Hungama shall mention BSNL's applicable brands in all its promotions specific to the services defined under this agreement.
- 6.5 BSNL and Hungama may work out special promotion schemes / contests etc. other than above, exclusively for BSNL's subscribers, on mutually agreed basis, under this agreement.
- 6.6 Hungama shall get marketing plans approved by the Marketing Cell of BSNL Corporate office for the services under this agreement.
- 6.7 BSNL may extent other facilities for promotion as per its policy applicable during currency of the agreement.
- 6.8 However, BSNL at its sole discretion wherever it feels necessary or desirable may advertise/ publicize various Value Added Services.

## 7 Modifications in the Terms and Conditions of Agreement

The terms and conditions of the Agreement are subject to modification by mutual agreement based upon the request of either party. Notwithstanding anything contained herein, the rates of cost of content/services share payable to Hungama and other related conditions may be changed upon mutual consent of both the parties or if in BSNL's opinion, the prevailing policy framework of the Govt., Level of competition faced by BSNL in the provision of telecom services and Regulations/ Directions or tariff orders of TRAI, make the rates payable to Hungama unviable. In case of no agreement being reached in such cases, BSNL reserves the right to terminate the agreement as per the provisions of clauses 9, 10 & 11 of this agreement.



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**8. Restrictions on 'Transfer of agreement'**

Hungama shall not assign or transfer its right in any manner whatsoever under this agreement to a third party or enter into any agreement for sub-contracting and/or partnership relating to any subject matter of the agreement to any third party either in whole or in any part i.e. no sub-contracting/ partnership/ third party interest shall be created.

**9. Suspension, Revocation or Termination of agreement**

- 9.1** BSNL reserves the right to suspend the operation of this agreement, at any time, due to change in its own license conditions or upon directions from the competent government authorities or whenever any unit of BSNL is convinced that the content is outdated/ obscene/ offending to the feelings of any religion or community or sector against the Law or un-satisfactorily responsive or in the circumstances as stated in Para 4 of Part III of this Agreement. In such a situation, BSNL shall not be responsible for any damage or loss caused or arisen out of aforesaid action. Further, the suspension of the agreement will not be a cause or ground for extension of the period of the agreement and suspension period will be taken as period spent. During this period, no charges for use of facility of Hungama shall be payable by BSNL.
- 9.2** BSNL may, without prejudice to any other remedy available for the breach of any conditions of agreement, by a written notice of ONE month issued to Hungama at its registered office, terminate this agreement under any of the following circumstances:
- 9.2.1** Hungama failing to perform any obligation(s) under the agreement;
- 9.2.2** Hungama failing to rectify, within the time prescribed, any defect as may be pointed out by BSNL.
- 9.2.3** Hungama going into liquidation or ordered to be wound up by competent authority.
- 9.3** EITHER PARTY may terminate the agreement, by giving notice of at least ONE month in advance. The effective date of surrender of agreement will be ONE month counted from the date of receipt of such notice by the other party or the authority that signed the agreement on behalf of other party.
- 9.4** If Hungama is wound up or goes into liquidation, it shall immediately (and not more than a week) inform about occurrence of such event to BSNL in writing. In that case, the written notice period can be modified by BSNL as deemed fit under the circumstances. BSNL may either decide to issue a termination notice or to continue the agreement by suitably modifying the conditions, as it feels fit under the circumstances.
- 9.5** It shall be the responsibility of **Hungama** to maintain the agreed Quality of Service, even during the period when the notice for surrender/termination of agreement is pending. If the agreed Quality of Service is not maintained during the said notice period, it shall be treated as material breach liable for termination at risk and consequent of Hungama and any cost of content/services share payment pending with BSNL shall be forfeited.



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- 9.6 Breach of non-fulfillment of Agreement conditions may come to the notice of BSNL through complaints or as a result of the regular monitoring. Wherever considered appropriate BSNL may conduct an inquiry either *suomoto* or on complaint to determine whether there has been any breach in compliance of the terms and conditions of the agreement by Hungama or not, Hungama shall extend all reasonable facilities and shall endeavor to remove the hindrance of every type upon such inquiry.

## 10. Actions pursuant to Termination of Agreement

- 10.1 Upon termination or surrender or expiry of the Agreement, Hungama shall ensure clearance of dues, if any, which it is liable to pay to BSNL. In case of failure of Hungama to pay the amounts due to BSNL, the outstanding amounts shall be realized through the pending bills/ Bank Guarantee due to Hungama without prejudice to any other action(s) for recovery of the amounts due to BSNL.
- 10.2 Notwithstanding any other rights and remedies provided elsewhere in the agreement, upon termination of this agreement:
- 10.2.1 Neither Party shall represent the Other Party in any of its dealings.
- 10.2.2 Neither Party shall intentionally nor otherwise commit any act(s) as would keep a third party to believe that the other Party is still the former Party's Content/ Network provider, as the case may be.
- 10.2.3 Each party shall stop using the other Party's name, trade mark, etc., in any audio or visual form.
- 10.2.4 The expiration or termination of the Agreement for any reason whatsoever shall not effect any obligation of either Party having accrued under the Agreement prior to the expiration or termination of the Agreement and such expiration or termination shall be without prejudice to any liabilities of either Party to the other Party existing at the date of expiration or termination of the Agreement.

## 11. Dispute Settlement

- 11.1 In the event of any question, dispute or difference arising under this agreement or in connection there-with (except as to the matters, the decision to which is specifically provided under this agreement), the same shall be referred to the sole arbitration of the CMD, BSNL, New Delhi.

or

In case his/her designation is changed or his/her office is abolished, then to the sole arbitration of the officer for the time being entrusted (whether in addition to his own duties or otherwise) with the functions of the CMD, BSNL.

or

By whatever designation such an officer may be called (hereinafter referred to as the said officer)

and



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If the CMD, BSNL or the said officer is unable or unwilling to act as such, then to the sole arbitration of some other person appointed by the CMD, BSNL or the said officer. The agreement to appoint an arbitrator will be in accordance with the Arbitration and Conciliation Act 1996.

There will be no objection to any such appointment on the ground that the arbitrator is a BSNL Servant or that he/she has to deal with the matter to which the agreement relates or that in the course of his/her duties as a BSNL servant he/she has expressed his/her views on all or any of the matters in dispute. The award of the arbitrator shall be final and binding on both the parties to the agreement. In the event of such an arbitrator to whom the matter is originally referred, being transferred or vacating his/her office or being unable to act for any reason whatsoever, the CMD, BSNL or the said officer shall appoint another person to act as an arbitrator in accordance with terms of the agreement and the person so appointed shall be entitled to proceed from the stage at which it was left by his/her predecessors.

11.2 The arbitrator may from time to time with the consent of both the parties enlarge the time frame for making and publishing the award. Subject to the aforesaid. Arbitration and Conciliation Act, 1996 and the rules made there under, any modification thereof for the time being in force shall be deemed to apply to the arbitration proceeding under this clause.

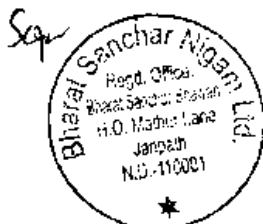
11.3 The venue of the arbitration proceeding shall be the office of the CMD, BSNL, New Delhi or such other places within the area of operation as the arbitrator may decide.

## 12. Force-Majeure

If at any time, during the continuance of this agreement, the performance in whole or in part, by either party, of any obligation under this is prevented or delayed, by reason of war or hostility, acts of the public enemy, civic commotion, sabotage, Act of State or direction from Statutory Authority, explosion, epidemic, quarantine restriction, strikes and lockouts (as are not limited to the establishments and facilities of Hungama ), fire, floods, natural calamities or any act of God (hereinafter referred to as **event**), provided notice of happenings of any such event is given by the affected party to the other, within 21 Calendar days from the date of occurrence thereof, neither party shall, by reason of such event, be entitled to terminate the agreement, nor shall either party have any such claims for damages against the other, in respect of such non-performance or delay in performance. Provided Service under the agreement shall be resumed as soon as practicable, after such event comes to an end or ceases to exist. The decision of BSNL, as to whether the service may be so resumed (and the time frame within which the service may be resumed) or not, shall be final and conclusive. However, the Force-majeure events noted above will not in any way cause extension in the period of the agreement.

## 13. Right to inspect

13.1 BSNL or its authorized representative shall have right to inspect the sites used for extending the Service by Hungama and in particular but not limited to, have the right to



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have access to leased lines, junctions, terminating interfaces, hardware/software, memories of semiconductor, magnetic and optical varieties, wired or wireless options, distribution frames, and conduct the performance test including to enter into dialogue with the system through Input/output devices or terminals. Hungama will provide the necessary facilities for continuous monitoring of the system, as required by BSNL or its authorized representative(s). The inspection will ordinarily be carried out after reasonable notice except in circumstances where giving such a notice will defeat the very purpose of the inspection.

- 13.2 Wherever considered appropriate BSNL may conduct any inquiry either suo-moto on complaint to determine whether there has been any breach in compliance of terms & conditions of the agreement by Hungama or not. In case of such inquiry, Hungama shall extend all reasonable facilities without any hindrance.

#### 14. **Confidentiality**

- 14.1 Subject to conditions contained in this Agreement, Hungama shall take all necessary steps to safeguard the privacy and confidentiality of any information about BSNL and its subscribers from whom it has acquired such information by virtue of the Service provided and shall use its best endeavors to secure that:

14.1.1 No person acting on behalf of Hungama or Hungama himself divulges or uses any such information except as may be necessary in the course of providing Services to BSNL; and

14.1.2 No person seeks such information other than is necessary for the purpose of providing Service to BSNL.

Provided, the above Para shall not apply where BSNL has consented in writing to such information being divulged or used and such information is divulged or used in accordance with the terms of that consent; or the information is already open to the public.

- 14.2 Hungama shall ensure that no profiling information regarding the subscribers of BSNL is collected, analyzed, sold, transferred or otherwise disclosed to any third party or utilized for the purpose of promoting the other than agreed products/ services of Hungama and/or any third party.

- 14.3 Hungama shall take necessary steps to ensure that Hungama and any person(s) acting on its behalf observe confidentiality of customer information.

- 14.4 Hungama shall, prior to commencement of Service, confirm in writing to BSNL that Hungama has taken all necessary steps to ensure that it and its employees shall observe confidentiality of customer information.

- 14.5 This clause shall survive the termination or expiry of this Agreement.

#### 15. **Prohibition of certain activities by Hungama**

- 15.1 Hungama shall not engage, on the strength of this Agreement, in the provision of any Service other than the services as defined in this Agreement.



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- 15.2 To remove any doubt, it is hereby clarified that nothing contained in above Para shall preclude Hungama from engaging in advertising and promotional activities relating to any of the services.
- 15.3 Hungama is obliged to provide, without any delay the tracing facility to trace origin or content of nuisance obnoxious or malicious messages or communications transported through his equipment and network. Any damages arising out of default on the part of Hungama in this regard shall be sole liability of Hungama.
- 15.4 In case any confidential information is divulged to Hungama for proper implementation of an Agreement, it shall be binding on Hungama and its employees to maintain its secrecy and confidentiality.
- 15.5 Hungama will ensure that the Telecommunication installation carried out by it should not become a safety hazard and is not in contravention of any statute, rule or regulation and public policy.
- 15.6 Hungama is specifically directed not to indulge in any form of forceful subscription of any service to the Subscribers of BSNL. Hungama should follow all the Regulations issued by TRAI/Regulator from time to time on the subject. In case, if Hungama is found indulging in any such activity, BSNL at its own discretion may impose any penalty on Hungama. This penalty imposed by BSNL can be in addition to the penalty, if any, imposed by TRAI/Regulator/Licensor/Govt. Of India & the same shall be without prejudice to any other rights/remedies available to BSNL.
- 15.7 Hungama is specifically directed not to run promotions of any service on OBD which is provided for Voice Chat service, if in the event it was found that Hungama is utilizing OBD for promotion. any penalty in this regard imposed by TRAI on Hungama and BSNL shall be borne by Hungama.

## 16. Set Off

Any sum of money due and payable to Hungama under this Agreement or otherwise shall be appropriated by BSNL and the same may be set off against any claim of BSNL for payment of a sum of money arising out of this Agreement or under any other Agreement made by Hungama with BSNL.

## 17. Indemnification

Hungama agrees to protect, defend, indemnify and hold harmless BSNL and its employees, officers, directors, agents or representatives from and against any and all liabilities, damages, fines, penalties and costs (including legal costs and disbursements) arising from or relating to:



- 17.1 Any breach of any statute, regulation, direction, orders or standards from any governmental body, agency, telecommunications operator or regulator applicable to such party;
- 17.2 Any breach of the terms and conditions in this agreement by Hungama.
- 17.3 Any claim of any infringement of any intellectual property right or any other right of any third party or of law by Hungama;
- 17.4 Any claim made by any third party arising out of the use of the services and arising in connection with interruption or degradation of service to BSNL's Cellular Mobile Telephony subscribers caused solely by Hungama .

This clause shall survive the termination or expiry of this Agreement.

**18. Relationship**

Each party understands that it is an independently owned business entity and this Agreement does not make it, its employees, associates or agents as employees, agents or legal representatives of the other party for any purpose whatsoever. Neither party has express or implied right or authority to assume or to undertake any obligation in respect of or on behalf of or in the name of the Other Party or to bind the Other Party in any manner. In case, any party, its employees, associates or agents hold out as employees, agents, or legal representatives of the other party, the former party shall forthwith upon demand make good any/all loss, cost, damage including consequential loss, suffered by the other party on this account.

**19. Exclusivity**

This Agreement is non-exclusive and nothing in this Agreement will be construed to prevent either party from entering into a similar Agreement with any other party or to restrict such party from directly engaging in related activities.

**20. Liability**

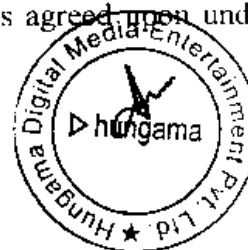
Except as provided in this Agreement, hereinabove, neither party shall be liable to other party or any other party by virtue of termination of this Agreement for any reason whatsoever for any claim for loss or profit or on account for any expenditure, investment, leases, capital improvements or any other commitments made by the other party in connection with their business made in reliance upon or by virtue of this Agreement.

**21. INTELLECTUAL PROPERTY RIGHTS / COPYRIGHTS**

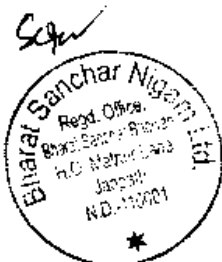
- 21.1 The Intellectual property rights of BSNL and Hungama shall remain their own and this Agreement shall not affect their ownership in any way unless mutually agreed upon.
- 21.2 Hungama shall be responsible for obtaining the legitimate copyrights / Intellectual Property Rights of the content provided as part of the services agreed upon under this Agreement.



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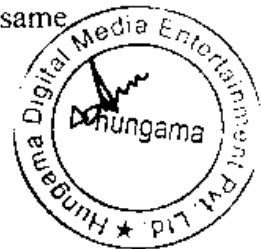
- 21.3 Hungama indemnifies BSNL against any liability, damage, fine, penalty, costs or any other consequential loss on account of violation of the copyright / Intellectual Property rights of any third party by Hungama in respect of the content/ application/ technology used by Hungama in providing the services.
- 21.4 Hungama shall ensure that no profiling information regarding the subscribers of BSNL using these services is collected, analyzed, sold, transferred or otherwise disclosed to any third party or utilized for the purpose of promoting the other than agreed products/services of Hungama and/or any third party. Such data including the other data pertaining to usage like the login ID, etc. created by the subscribers in availing the services & residing in server(s) of Hungama shall be destroyed by Hungama within seven days of expiry or termination of this agreement under confirmation to BSNL.
- 21.5 Hungama shall not use BSNL's trademarks, trade names, service marks, copyrights, patents, trade secrets, trade dress or BSNL Logos, etc. without BSNL's prior written consent.
- 21.6 Hungama recognizes that the BSNL is the sole owner of all right, title and interest in the trademark patents, copyrights, trade dress, trade secrets, operating practices/ procedures or other intellectual property rights relating to services offered by BSNL, the advertising and promotional material and Customer/Subscriber information related to the services provided by BSNL, all other items tangible or intangible, used presently or in future and the goodwill which is or which shall become attached to any of the foregoing (collectively, the "BSNL Intellectual Property"). Hungama hereby acknowledges that it shall have no right, title or interest in the BSNL Intellectual Property and the same are assets of BSNL. Any customization or modification done by Hungama shall not affect BSNL's exclusive rights to and ownership of all or any of the services of BSNL.
- 21.7 Hungama shall not knowingly interfere or cause any third party to knowingly interfere with BSNL Intellectual Property Rights. Hungama agrees and undertake that it shall take all necessary & timely measures to ensure that BSNL Intellectual Property Rights are not infringed, passed off, diluted, reverse-engineered, hacked into, misappropriated, tampered with and/or copied or used by Hungama or any of its directors, officers, employees, agents, consultants, representatives, subsidiaries, associates, servants or any other person except as expressly provided herein. Hungama shall immediately inform BSNL in the event it becomes aware of any infringement, passing off, misappropriation or dilution of BSNL Intellectual Property Rights and that it shall provide all reasonable information and assistance necessary in order to assist BSNL to abate the infringement, passing off, misappropriation, unauthorized copying or use of, or dilution of its intellectual property.
- 21.8 Hungama shall not reproduce, decompile, disassemble or reverse engineer any of the BSNL Products or BSNL Services in any manner whatsoever for any purpose without the prior written consent of BSNL.



- 21.9 Hungama agrees that it shall not use, re-use or disclose, either directly or indirectly, to any person or other company or its associates or subsidiary companies any knowledge or information concerning BSNL's services, affairs of or intellectual properties of BSNL which Hungama may have acquired from BSNL during the course of or incidental to this Agreement or any knowledge or information concerning BSNL's services, affairs or intellectual properties of BSNL which may have been shared by BSNL with Hungama, after the termination/expiry of this Agreement for any reason whatsoever under this agreement which Hungama, may be or may have been concerned or interested in.
- 21.10 Hungama shall not alter or otherwise tamper with any equipment, related accessories and software provided by BSNL including any all replacements, modifications, enhancements and/or additions thereto.
- 21.11 Notwithstanding anything contained herein, Hungama indemnifies and hold BSNL harmless against any loss, liability, costs (including legal costs & expenses), fine, penalty, demands or damages arising by reasons of any claim of infringement, passing off or dilution of IPR/ copyright/ patent/ trademark etc. arising from provision of services under this agreement by Hungama and use of same or any part thereof by BSNL or by subscribers of BSNL or in Telecom Network of BSNL, as the case may be.
- 21.12 Hungama shall be responsible for bearing all liabilities, costs (including legal costs & expenses), fine, penalty, demands or damages arising consequent to the breach by Hungama of any of the above conditions/ clauses mentioned herein above.
- 21.13 This clause shall survive the termination or expiry of this Agreement.

**22. Security and Lawful Interception for Value Added Service**

- 22.1 In accordance with clause 6.1A of DOT guidelines vide letter No 842-725/2005-VAS-66 dated 31<sup>st</sup> July, 2008 and any directions of DOT there-under, BSNL shall have the right to direct Hungama to warn, penalize or terminate the Agreement after considering any report of conduct or antecedents detrimental to the security of the nation. The decision of BSNL in this regard in accordance with such DOT directions shall be final and binding and in any case Hungama shall bear all liabilities in the matter and keep BSNL informed for all claims, cost, charges or damages in this respect.
- 22.2 In accordance of DOT guidelines vide letter No 800-62/2008-ASP II/2 dated 14<sup>th</sup> May, 2008 Hungama shall provision for lawful interception for VAS which are being provided to BSNL subscribers using Voice bearer/GPRS/SMS/USSD/PTT etc. Further, any new Value Added Services should be added/ commissioned in the network only after having confirmed the provisioning of appropriate monitoring facilities for the same.



**PART-II**  
**FINANCIAL CONDITIONS**

**1. Payment of charges to Hungama for the services provided**

- 1.1 The services shall be billed as part of GSM services provided by BSNL. The bills will be raised and collected by BSNL from the subscribers.
- 1.2 Hungama shall not charge any money or money(s) from the subscribers of BSNL. No additional service other than contained in Annexure II of this Agreement is to be provided to the subscribers of BSNL either free or for a cost without written approval of BSNL.
- 1.3 Both pre-paid & post paid GSM Telephony Subscribers and CDMA Telephony Subscribers of BSNL shall have access to the services defined under the Agreement.
- 1.4 **Tariff and cost of content/services share of Services:**
- 1.4.1 The tariff for the services shall be same irrespective of the subscribers' category (*prepaid/ postpaid*) or location of the GSM Telephony Subscribers (*inter-circle or intra circle*).
- 1.4.2 The tariff charges with respect to usage of the service by subscribers of BSNL are the sole prerogative of BSNL except where Hungama and BSNL shall mutually agree on pricing of specific features. BSNL shall review the tariff on the basis of market trends.
- 1.4.3 Hungama shall be paid cost of content/services share as per various categories of calls as detailed in para 2, herein.
- 1.5 BSNL will pay to Hungama on the basis of the cumulative minutes based on CDRs generated for the calls answered by the IVRS setup of Hungama.
- 1.6 **Measurements of Calls**
- 1.6.1 The measurement of cumulative minutes in case of GSM Telephony Subscribers will be carried out on the outgoing (*outgoing from BSNL's side*) links interconnecting Hungama's IVRS server to the TAX/MSC in the BSNL's network. The measurement done by BSNL shall be final.
- 1.6.2 The measurement of traffic data pertaining to the services agreed upon in this agreement shall be carried out by BSNL in its relevant network element and the measurement done by BSNL shall be final.



## 1.7 Payment Procedure

Payment shall be made on monthly basis to the Hungama on receipt of the bill by BSNL. The Hungama shall submit the Licensed Service Area-wise bill to the Zonal in-charge or to the Cluster in-charge, as the case may be, (DET (VAS) or any other officer nominated by GM (CMTS), Nodal Centre or GM in-charge of VAS in the Cluster), who will verify the bill within maximum 15 days and arrange for release of the cost of content/services payment to the Hungama within next 15 days. The payment of charges shall be made to the Hungama after deduction of TDS as per provisions of the Income Tax Act, 1961.

- 1.8 The payment of charges shall be made to Hungama after deduction of TDS/ any other applicable tax amount as per provisions of the Income Tax Act, 1961 and any other deductions as may be applicable from time to time.
- 1.9 No other costs, payments and expenses would be borne by BSNL except for those taxes, etc. if applicable under any other Acts or regulations laid down by Authorities or statutes.
- 1.10 BSNL will pay the cost of content/service and the service Tax as applicable. **Hungama** will issue Cenvatable invoice to BSNL in conformity with rule 4A of the service Tax rules 1994 so that BSNL can utilize Cenvat credit against the payment of service tax cess on output service.
- 1.11 In case of any dispute/ complaints from the subscribers regarding any defect or non-delivery and consequent refund request, **Hungama** shall be responsible for providing the conclusive evidence of performance at its end, failing which the disputed charges will be deducted from the payment of **Hungama** and accordingly the charges shall be adjusted in the subsequent bill of the postpaid subscriber or credited to subscriber's account in case of prepaid subscribers, under intimation to the concerned subscriber.

## 2. Financials in respect of Value Added services through IVR based platform or Human assisted platform

- 2.1 Hungama shall be responsible for intimating the subscriber the charges payable by him/her on availing such services.
- 2.2 The cost of content/services (revenue share) payable to Hungama in respect of services through IVR based platform or Human assisted platform are agreed as below:

| S.N | Type of Service                              | Network  | Revenue share to VAS Provider |
|-----|----------------------------------------------|----------|-------------------------------|
| 1   | Direct Access Service (Pay per use-Browsing) | GSM/CDMA | 30%                           |
| 2   | Subscription Service: Browsing Part          | GSM/CDMA | 30%                           |
| 3   | Subscription service :Rental Part            | GSM/CDMA | 30%                           |



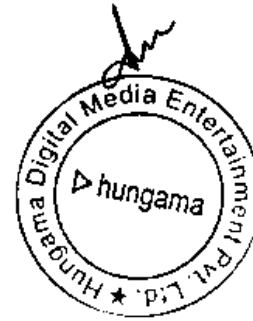
The cost of content/services of both the parties shall be reviewed on mutually agreed terms in case the tariff of these services is revised by BSNL.

### 3 Bank Guarantee conditions

- a. The Hungama shall have to give a commitment to generate topline revenue along with Bank Guarantee (BG) during the period of agreement, as given below :
  - Top line Revenue Commitment of Rs. 8 Crore for all Zones/PAN India backed by BG of 5% of the committed amount for agreement period.
- b. The Bank Guarantee of **Rupees Forty Lakhs shall be encashed by BSNL if Hungama is not able to meet its commitment to generate topline revenue of Rupees Eight Crore** within validity period of the agreement with BSNL.
- c. The Bank Guarantee shall be valid for thirty three (33) months from the date of signing the Agreement. Hungama shall extend the validity of BG on yearly basis for the further extended period of the agreement if any or otherwise, till all dues of BSNL by virtue of this agreement have been fully paid and its claim satisfied and discharged. Failure to extend validity of BG shall amount to violation of terms of the agreement and entitle BSNL to encash the BG as stated herein above.
- d. The Bank Guarantee is to be provided within 15 days of signing of the agreement.



A handwritten signature in black ink.



**PART-III**  
**TECHNICAL CONDITIONS**

**1. The Applicable System**

- 1.1 The Applicable system of Hungama should be capable of providing services mentioned under Annexure-II of this Agreement and will comprise the IVR platform besides other elements like server(s), etc.
- 1.2 The applicable system shall be able to detect any user mistakes and/ or inactivity so that expected action can be requested. The applicable system shall be able to release the call following repeated user mistakes or inactivity. To make the subscribers aware how to use this service provision for tutorial on telephone should be there in the applicable system.
- 1.3 The Answer signal shall be sent to BSNL Network as soon as the system of Hungama responds to the incoming call.
- 1.4 The applicable system should have a provision that BSNL subscriber with DTMF or pulse dial instrument is able to use these services.
- 1.5 The dialogue between the subscriber and the applicable system shall be through voice prompts guiding the subscriber through available choices and action. As part of the installation process, Hungama shall be able to configure/ re-record the standard system prompts as the site requirement/customization required.
- 1.6 Hungama shall be responsible for providing the Flow Chart of its services to the field unit of BSNL at the place where the IVR of Hungama is connected to the Telephone switch of BSNL, who in turn shall ensure that the flow chart is available in the concerned call centre of BSNL.
- 1.7 The callers will have the option to subscribe to receive alerts from the system to get the latest updates & events. The alerts will have a number. If the caller calls this number, he/she will be directly taken to the application, bypassing main menu & additional information on alerts will be provided via voice.
- 1.8 The applicable system of Hungama shall facilitate direct access (bypassing main menu) to any menu item sub-menu by means of a pre-designated dialing code (with suffix digit). The system shall also support various bearers like speech, SMS, WAP, etc. for enhanced interaction between system & callers and/or delivery of requested alert/ content etc. to callers. The premium pricing of services as mentioned under Annexure-III of this Agreement is subject to the availability of above multimodality of the services & applicable system of Hungama.
- 1.9 Time Out: The applicable system shall be able to release the call following repeated user's mistakes or inactivity.



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1.10 Multilingual: The voice prompts shall be available minimum in three languages (English/ Hindi/ Regional language).

1.11 The system should be able to generate statistical data per sight, per server and per date as and when required by BSNL. The asked data shall be made available in Table/ Graphical Format. The system should be able to record data for a minimum period of sixty days.

## 2. Interconnection to the network of BSNL

2.1 The system of Hungama will be allowed to be connected to a designated telecom network switch of BSNL on E1 link(s), as available & feasible, for providing the specified services. The connectivity between BSNL and the system of Hungama shall be exclusively utilized for carrying the traffic of BSNL subscribers only and for the specified services (Annexure-II).

2.2 When Hungama installs its setup/ equipment in some other building outside the BSNL exchange, BSNL shall provide the connectivity free of cost if the system of Hungama is installed within 2.5 kms from the interconnecting BSNL TAX/ Nodal Exchange/ GMSC (in case BSNL has a nearby transmission set up due to RSU/ DLC etc. the effective distance may be taken up from such nodal point) to enable proper working of E1. In this case, the line driver or the modem required for connectivity shall be provided by Hungama. BSNL shall charge Hungama for other telecom resources provided as per the applicable tariffs and/or discounts, if any.

2.3 Hungama s, who intend to provide service to BSNL Landline customers, will have to deploy solution at Cluster level only.

2.4 Co-location facility in BSNL premises will be extended to Hungama subject to feasibility & payment of requisite Infrastructure charges as per VAS Infra Charge policy of BSNL applicable at the time of signing of agreement, however infrastructure charges will be applicable as per infra charge policy amended from time to time. Further the charges shall be in accordance with the amended policy from the date of issue of the amended infrastructure policy. The word Infrastructure means electricity/power/space/air-conditioning and connectivity (E1s). Presently applicable infrastructure charges are as tabulated below:-

| Space                                             | Power                                       | Charges (p.a.)                                      |
|---------------------------------------------------|---------------------------------------------|-----------------------------------------------------|
| As per requirement justified by solution provider | Upto 2 KW                                   | 3.5 Lakh                                            |
|                                                   | Between 2KW – 5KW                           | 6.5 Lakh per site/ deployment                       |
|                                                   | Additional slabs of 5 KW (5-10, 10-15 etc.) | Power consumption charges at highest slab rate +25% |
|                                                   | 35 KVA (present case of PK Online)          | 38 lakhs                                            |



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- 2.5 The dimensioning of interconnecting links shall be in accordance with the requirement of meeting the Grade of Service of 1 in 500.
- 2.6 The dialing code for these services shall be decided by BSNL. However, BSNL may revise the dialing plan for access to the Services at any time and Hungama shall have no objection, whatsoever, in this regard. Hungama shall bear all cost/expenses incurred in carrying out the required changes in its set up and to advertise/publicize the changed dialing code.
- 2.7 The joint testing team of BSNL and Hungama shall carry out the testing of the services as per the test schedule prescribed by BSNL. This will include the charging/ routing of calls, quality of the content provided under the services, voice prompt quality, etc.
- 2.8 The concerned field units of BSNL where the connectivity to BSNL's network is provided to Hungama's IVRS set up will also thoroughly evaluate all the services before commercial launch. The said units of BSNL shall also be responsible for continuously monitoring the content provided under the services and the response time etc.
- 2.9 Hungama Shall be responsible to integrate its equipments with that of BSNL or those belonging to any third party engaged by BSNL for the purpose of providing all type of services including advertisement, marketing, etc. over the Value Added Services being provided / to be provided by Hungama to BSNL's end customers.

### 3. Quality of Performance

- 3.1 Hungama shall ensure the Quality of Service (QoS) as prescribed by TRAI (Regulator) from time-to-time. Hungama shall operate and maintain the Network conforming to Quality of Service standards to be mutually agreed subject to such other directions as the competent authority may give from time to time. Hungama shall adhere to such QoS standards and provide timely information as required therein.
- 3.2 In the process of operating the Services, Hungama shall be responsible for
- 3.2.1 Installation, Operation & proper maintenance of the equipment;
- 3.2.2 Maintaining the performance and quality of service standards.
- a) Grade of Service: 1 in 500
- b) Response time for start of message on receipt of call on Applicable System shall be less than or equal to 10 sec
- 3.2.3 Maintaining the MTTR (Mean Time to restore) within the specified limits of the quality of service as given below in respect of normal failures excluding catastrophes:
- a) 90% of faults reported by subscribers should be rectified within 24 hours and 99% within three Calendar days.

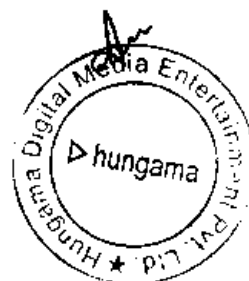


- b) Hungama will keep a record of number of faults and rectification reports in respect of the service, which will be produced before BSNL as and when and in whatever form desired.

3.2.4 Rectification of fault in the Hungama owned links/equipment will have to be ensured within 24 hours.

#### 4. Protection of Network

- 4.1 Each party will use its best endeavor and in good faith to ensure that it does not do or permit to be done or omit or permit the omission of any matter in relation to its network, which will cause damage to the other party's network or result in the interference with the operation of the other party's network.
- 4.2 Each party is to co-operate with the other party & adopt reasonable precautions in accordance with the usual procedure, to prevent act of sabotage to the network interconnected with it or to prevent fraudulent use of the same.
- 4.3 At all times, Hungama shall make all reasonable efforts to safeguard the network infrastructure of BSNL from being abused or spammed by any third party.
- 4.4 BSNL shall use commercially reasonable efforts to provide the services under this Agreement during all days without any interruption in accordance with industry standards, except where such interruption arises out of, results from, or is related to an event of Force Majeure or other cause or circumstances beyond the reasonable control of BSNL.
- 4.5 BSNL shall be responsible for transmission of calls through its MSC (Mobile Switching Centre), TAX (Trunk Automatic Exchange) or other switches, as applicable. However, BSNL may suspend the transmission in whole or in part at any time without notice if:
- o BSNL reasonably considers it necessary to safeguard provision of services or the integrity of its Network or the MSC, or the TAX or any switch;
  - o The Network or the MSC or any switch of BSNL fail or require modification or maintenance;
  - o If there has been unauthorized, unlawful or fraudulent use of the transmission or any transmission is causing or may potentially cause damage or interference to the Network or MSC or any exchange of BSNL; or
  - o It is necessary to comply with a mandatory direction or request of the Department of Telecommunications or other Competent authority, or
  - o BSNL receives complaint from its subscribers for reasons related but not limited to omission, errors or incorrect data, use of obscenity in the services provided by Hungama under this Agreement. In such an event, the services shall remain suspended till the matter is resolved to the satisfaction of the parties concerned.



**DEFINITIONS OF TERMS & EXPRESSIONS**

Unless the context otherwise requires, the different terms and expression used shall have the meaning assigned to them in the following paragraph:

1. The **“Applicable system”** means all the equipment, sub-systems engineered to provide voice based Value Added Services to the GSM subscribers of BSNL in accordance with operational/ technical and quality requirements and other terms and conditions mentioned in this Agreement.
2. **“Cellular Mobile Telephony Subscribers”** mean the subscribers availing the Cellular Mobile Telephony Services rendered by BSNL on commercial basis.
3. **“Message”** means anything falling within paragraph 3 of Section 3 of the Indian Telegraph Act, 1885 or any statutory or enactments made from time-to-time in this regard.
4. **“Quality of Service”** means evaluation of service on the basis of observed measures on the grade of service, calls lost due to wrong processing, the bit error rate or the response time. The Quality of Service also includes acceptable grade of number of faults per unit population of the subscribers served, the Mean Time to Repair (MTTR), faults carried over beyond the MTTR and the satisfactory disposal thereof.
5. **“Service Area”** in context of this agreement shall be **ALL Circles/Cluster of BSNL**, as defined under the GSM telephony license granted by the Licensor to BSNL & as per arrangement spelt out in clause 1.3 of Part-I of this Agreement.
6. **“Validity of the agreement”** is the period for which this agreement may be effective.
7. The term **“Services”** or **“Service”** means voice based Value Added Services as given in Annexure-II of this Agreement.
8. **“DOT”/ “Licensor”** means the Department of Telecommunications under the Ministry of Communications & Information Technology.
9. **“Hungama”** shall refer to **VALUE ADDED SERVICE PROVIDER**.
10. **“BSNL”** means **BHARAT SANCHAR NIGAM LIMITED**. In case any clause mentions BSNL it shall primarily mean BSNL Corporate Office unless otherwise specified.



11. **“Tariff”** means Charges payable by the subscriber for the service provided and as mentioned under Annexure-II of this agreement.
12. **“TRAI” / “Regulator”** means Telecom Regulatory Authority of India established under the TRAI Act, 1997.
13. **“Competent Authority”** means the CMD, BSNL or any person authorized by him to act on his behalf.
14. **“MSC”** means the Mobile Switching Centre.
15. **“TAX”** means the Trunk Automatic Exchange.
16. **“Network”** means the GSM (Global System for Mobile)/ PSTN/ CDMA network run by BHARAT SANCHAR NIGAM LIMITED for providing the services to its subscribers.
17. **“SDCA”** means a Short Distance Charging Area
18. **“Agreement”** means this agreement along with all Parts and Annexure attached hereto and includes all amendments & modifications thereof as may be mutually agreed by the parties, in writing.
19. **“SPAM”** will be construed to have happened if any subscriber is sent un-solicited information of any kind. Unsolicited means that the Recipient has not granted verifiable permission for the message to be sent.
20. **“IVRS”** means the Interactive Voice Response System.
21. **“Multi Modal”** means services with suffix support where each suffix/ group of suffix code leads to a specific service with specific price point.
22. **“Cost of Content/Services”**: Cost of content / services as would be made available to Hungama shall be as per percentage of the price being charged from the end user. The percentage shall be as per details mentioned in Part-II (Financial Conditions)



**LIST OF VOICE BASED SERVICES AGREED TO BE PROVIDED UNDER THE AGREEMENT**

1.1 The Direct Access voice based services agreed to be provided under this agreement are as below

1.1.1 **Direct Access service on CMTS:**

| Services                   | Charging Rate |
|----------------------------|---------------|
| Hungama Mother Portal      | Rs.3/min      |
| Movie Reviews & Voice game | Rs.3/min      |
| Artiste Connect            | Rs.3/min      |
| Celeb Chat                 | Rs.3/min      |
| Astro                      | Rs.3/min      |
| Voice Chat                 | Rs.4/min      |

1.2 Hungama shall be responsible for evolving the above services in tune with the changing tastes & preferences of the subscribers, changing market scenario and requirements of BSNL. Additional services can be added on mutually agreed basis. However, Hungama has to provide the services on requirement of BSNL.

1.3 Hungama shall ensure that the content is not obscene, indecent or offensive to the subscribers. Hungama shall be responsible for obtaining the copyright/IPR of the content, as applicable, at its own costs.

1.4 Hungama indemnifies BSNL in respect of any consequences of whatsoever nature arising on account of copyright/IPR violation of content or content being in violation of laws of land or nature/type of content.

1.5 Hungama shall be solely responsible for ensuring that the Messages/ Greetings/ Movie reviews recorded by some callers are not made available to other callers without proper preview or editing or moderating so as to ensure that the content is not obscene or offending to the feeling, to any person or religion.

1.6 Hungama shall extend the latest content for the services agreed upon in this agreement without any discrimination vis-à-vis other service provider(s) to whom Hungama may be providing similar services.

2.

**1.2 SUBSCRIPTION BASED SERVICES:** Hungama has offered following subscription based services:-

| Service Name | Price Point | Free Minutes | Validity @ Days | Top up Price with no Validity Extension (Recharge Option) Rs@Minute |     |       |       |       | Browsing Charges |
|--------------|-------------|--------------|-----------------|---------------------------------------------------------------------|-----|-------|-------|-------|------------------|
| Good Life    | Rs.30       | 30           | 30 Days         | 1@1                                                                 | 5@5 | 10@10 | 20@20 | 30@30 | N/A              |



|                                   |       |    |         |     |     |       |       |       |     |
|-----------------------------------|-------|----|---------|-----|-----|-------|-------|-------|-----|
|                                   | Rs.20 | 20 | 20 Days | 1@1 | 5@5 | 10@10 | 20@20 | 30@30 | N/A |
|                                   | Rs.15 | 15 | 15 Days | 1@1 | 5@5 | 10@10 | 20@20 | 30@30 | N/A |
|                                   | Rs.10 | 10 | 10 Days | 1@1 | 5@5 | 10@10 | 20@20 | 30@30 | N/A |
|                                   | Rs.5  | 5  | 5 Days  | 1@1 | 5@5 | 10@10 | 20@20 | 30@30 | N/A |
|                                   | Rs.3  | 3  | 3 Days  | 1@1 | 5@5 | 10@10 | 20@20 | 30@30 | N/A |
| Astro                             | Rs.30 | 30 | 30 Days | 1@1 | 5@5 | 10@10 | 20@20 | 30@30 | N/A |
|                                   | Rs.20 | 20 | 20 Days | 1@1 | 5@5 | 10@10 | 20@20 | 30@30 | N/A |
|                                   | Rs.15 | 15 | 15 Days | 1@1 | 5@5 | 10@10 | 20@20 | 30@30 | N/A |
|                                   | Rs.10 | 10 | 10 Days | 1@1 | 5@5 | 10@10 | 20@20 | 30@30 | N/A |
|                                   | Rs.5  | 5  | 5 Days  | 1@1 | 5@5 | 10@10 | 20@20 | 30@30 | N/A |
|                                   | Rs.3  | 3  | 3 Days  | 1@1 | 5@5 | 10@10 | 20@20 | 30@30 | N/A |
| M-<br>Education                   | Rs.30 | 30 | 30 Days | 1@1 | 5@5 | 10@10 | 20@20 | 30@30 | N/A |
|                                   | Rs.20 | 20 | 20 Days | 1@1 | 5@5 | 10@10 | 20@20 | 30@30 | N/A |
|                                   | Rs.15 | 15 | 15 Days | 1@1 | 5@5 | 10@10 | 20@20 | 30@30 | N/A |
|                                   | Rs.10 | 10 | 10 Days | 1@1 | 5@5 | 10@10 | 20@20 | 30@30 | N/A |
|                                   | Rs.5  | 5  | 5 Days  | 1@1 | 5@5 | 10@10 | 20@20 | 30@30 | N/A |
|                                   | Rs.3  | 3  | 3 Days  | 1@1 | 5@5 | 10@10 | 20@20 | 30@30 | N/A |
| Devotional                        | Rs.30 | 30 | 30 Days | 1@1 | 5@5 | 10@10 | 20@20 | 30@30 | N/A |
|                                   | Rs.20 | 20 | 20 Days | 1@1 | 5@5 | 10@10 | 20@20 | 30@30 | N/A |
|                                   | Rs.15 | 15 | 15 Days | 1@1 | 5@5 | 10@10 | 20@20 | 30@30 | N/A |
|                                   | Rs.10 | 10 | 10 Days | 1@1 | 5@5 | 10@10 | 20@20 | 30@30 | N/A |
|                                   | Rs.5  | 5  | 5 Days  | 1@1 | 5@5 | 10@10 | 20@20 | 30@30 | N/A |
|                                   | Rs.3  | 3  | 3 Days  | 1@1 | 5@5 | 10@10 | 20@20 | 30@30 | N/A |
| Filmi Dunia<br>– Movies,<br>Music | Rs.30 | 30 | 30 Days | 1@1 | 5@5 | 10@10 | 20@20 | 30@30 | N/A |
|                                   | Rs.20 | 20 | 20 Days | 1@1 | 5@5 | 10@10 | 20@20 | 30@30 | N/A |
|                                   | Rs.15 | 15 | 15 Days | 1@1 | 5@5 | 10@10 | 20@20 | 30@30 | N/A |
|                                   | Rs.10 | 10 | 10 Days | 1@1 | 5@5 | 10@10 | 20@20 | 30@30 | N/A |
|                                   | Rs.5  | 5  | 5 Days  | 1@1 | 5@5 | 10@10 | 20@20 | 30@30 | N/A |
|                                   | Rs.3  | 3  | 3 Days  | 1@1 | 5@5 | 10@10 | 20@20 | 30@30 | N/A |
| Comedy                            | Rs.30 | 30 | 30 Days | 1@1 | 5@5 | 10@10 | 20@20 | 30@30 | N/A |
|                                   | Rs.20 | 20 | 20 Days | 1@1 | 5@5 | 10@10 | 20@20 | 30@30 | N/A |
|                                   | Rs.15 | 15 | 15 Days | 1@1 | 5@5 | 10@10 | 20@20 | 30@30 | N/A |
|                                   | Rs.10 | 10 | 10 Days | 1@1 | 5@5 | 10@10 | 20@20 | 30@30 | N/A |
|                                   | Rs.5  | 5  | 5 Days  | 1@1 | 5@5 | 10@10 | 20@20 | 30@30 | N/A |
|                                   | Rs.3  | 3  | 3 Days  | 1@1 | 5@5 | 10@10 | 20@20 | 30@30 | N/A |

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Services with Subscription & browsing:

| Service Name     | Price Point | Free Minutes | Validity @ Days | Browsing Charges |
|------------------|-------------|--------------|-----------------|------------------|
| Celeb/Voice Chat | Rs.30       | N/A          | 30 Days         | Rs.3/Minute      |
|                  | Rs.20       | N/A          | 20 Days         | Rs.3/Minute      |
|                  | Rs.15       | N/A          | 15 Days         | Rs.3/Minute      |
|                  | Rs.10       | N/A          | 10 Days         | Rs.3/Minute      |
|                  | Rs.5        | N/A          | 5 Days          | Rs.3/Minute      |
|                  | Rs.3        | N/A          | 3 Days          | Rs.3/Minute      |

- 2.2 BSNL will pay to Hungama on the basis of the cumulative minutes based on CDRs generated for the calls answered by the setup of Hungama.



*[Handwritten signature]*



**ANNEXURE-III**

**PROFORMA FOR BANK GUARANTEE**

To

**BHARAT SANCHAR NIGAM LIMITED**

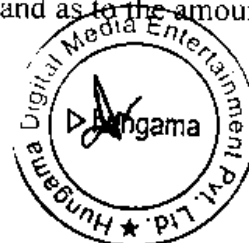
Bharat Sanchar Bhawan, HC Mathur Lane,  
Janpath, New Delhi - 110001.

In consideration of the **BHARAT SANCHAR NIGAM LIMITED (BSNL)** having signed an agreement No. **VAS-4/IVR-Hungama/2012** dated \_\_\_\_\_ (hereinafter called 'the said agreement') with **M/s HUNGAMA DIGITAL MEDIA ENTERTAINMENT PRIVATE LIMITED** (hereinafter called '**Hungama**') regarding provision of the IVR/Human Assisted Platform based Value Added Services (hereinafter called 'the Service') to the subscribers of BSNL as per the terms and conditions contained in the said agreement, which inter-alia requires the submission of the Bank Guarantee of **Rupees Forty Lakhs** as a security towards the due observance and performance of the terms & conditions of the said Agreement. We \_\_\_\_\_ (indicate the name and address of the Bank) (hereinafter referred to as 'the Bank') at the request of **Hungama** hereby irrevocably and unconditionally guarantee to BSNL that **Hungama** shall render all activities which may be required to be rendered by **Hungama** in connection with revenue commitment on the services as mutually agreed and further guarantees that the service which shall be provided by **Hungama** under the said agreement, shall be actually performed in accordance with terms & conditions of said agreement to the satisfaction of the BSNL.

2. We, the Bank, hereby undertake to pay BSNL an amount not exceeding **Rupees Forty Lakhs** against any breach of any of the terms & conditions contained in the said agreement including failure to meet the revenue commitment on services as mutually agreed or to extend the validity of this guarantee or to give a fresh guarantee in lieu of the existing one.
3. We, the Bank hereby, absolutely, irrevocably and unconditionally guarantee as primary obligor and not merely as surety against the payment of an amount of **Rupees Forty Lakhs** to the BSNL to secure due and faithful observance & performance by **Hungama** of all his obligations under the said agreement.
4. We, the Bank hereby also undertake to pay the amounts due and payable under this guarantee without any demur, merely on a demand from the BSNL stating that the amount claimed is due by reason of breach by the said **Hungama** of any of the terms & conditions contained in the said agreement or by reason of **Hungama** failure to perform any of its obligations under the said agreement including failure to rollout the services as mutually agreed.
5. We, the Bank, hereby agree that the decision of the BSNL as to whether **Hungama** has failed to or neglected to perform or discharge his duties and obligations as aforesaid and/or failed to launch the services as mutually agreed, whether the service is free from deficiencies and defects and is in accordance with the terms & conditions of the said agreement or not and as to the amount payable to the BSNL by the Bank hereunder shall be final and binding on the Bank.
6. WE, THE BANK, DO HEREBY DECLARE AND AGREE that:



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(b) The BSNL shall have the fullest liberty without our consent and without affecting in any manner our obligations hereunder to vary any of the terms and conditions of the said agreement or to extend time of performance of any obligations by the said **Hungama** from time to time or to postpone for any time or from time to time any of the powers exercisable by the BSNL against the said **Hungama** and to forbear or to enforce any of the terms and conditions relating to the said agreement and we shall not be relieved from our liability by reason of any variation or extension being granted to the said **Hungama** or forbearance act or omission on the part of the BSNL or any indulgence by the BSNL to the said **Hungama** or to give such matter or thing whatsoever which under the law relating to sureties would but for this provision, have effect of so relieving us.

(c) Any claim which we have against **Hungama** shall be subject and subordinate to the prior payment and performance in full of all the obligations of us hereunder and we will not without prior written consent of the BSNL exercise any legal right or remedy of any kind in respect of any such payment or performance so long as the obligations of us hereunder remains owing and outstanding.

(d) This Guarantee shall be irrevocable and the obligations of us herein shall not be conditional of any prior notice by us or by **Hungama**.

7. We the BANK undertake not to revoke this Guarantee during its currency except with the previous consent of the BSNL in writing.
8. Notwithstanding anything contained above, our liability, under the Guarantee shall be restricted to **Rupees Forty Lakhs** only and our Guarantee shall remain in force until thirty three months from the date hereof or any extension thereof. Unless a demand or claim under this Guarantee is made on us in writing within this date i.e. all your rights under the Guarantee shall be forfeited and we shall be released and discharged from all liabilities there under.

Dated \_\_\_\_\_ day of \_\_\_\_\_, 2011 at \_\_\_\_\_

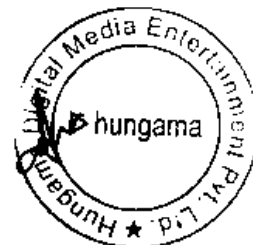
(Signed by the authorized signatory of the Bank)

*(Please furnish here the full address of the concerned Branch of the Bank along with the contact telephone numbers, Mobile number and Fax number of the concerned Bank Official)*

In the presence of Witnesses:

1. Signature  
Name  
Occupation  
Address  
Place

2. Signature  
Name  
Occupation  
Address  
Place



## ANNEXURE-IV

### CHARGES FOR INFRASTRUCTURE/ SPACE FOR HOSTING

**2.1 Connectivity:** If the VAS provider's servers are located in BSNL premises/environment then this connectivity is to be treated as local connectivity. If the VAS provider's equipments are placed at a distant location or outside BSNL environment, then such connectivity shall be provided if Applicable system of content provider is installed within 2.5 Kms from the interconnecting BSNL TAX/ GMSC/ STP to enable proper working of E1/PR1. Beyond this, it will not be considered as local connectivity. The term 'connectivity' is further defined to include any connectivity E1/FE/LAN/MPLS etc. between BSNL network element and Hungama server which enables:

- BSNL customers reach to the servers of Hungama, located in BSNL premises, through BSNL n/w to avail specified service.
- Integration between BSNL network elements (IN, HLR, SMSC, SDP etc.) and Hungama servers.

This local connectivity may not include:

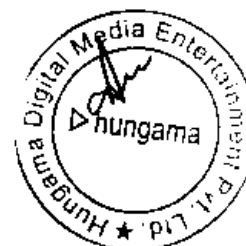
- Connectivity between Hungama servers located at geographically different locations
- Connectivity between Hungama servers, located outside BSNL premises beyond 2.5 KMs, and BSNL n/w elements.

All such connectivity not covered under Local connectivity shall be provided by BSNL on cost basis.

**2.2** The infrastructure charges shall include space, power, air-conditioning and type of connectivity.

**2.3** Exclusivity and non-exclusivity is dispensed with, for the purpose of infrastructure charges and there will be same charges for either class of Hungama s. These are as given below:

| Space                                             | Power                                       | Charges (p.a.)                                      | Remarks =Power charges+ |
|---------------------------------------------------|---------------------------------------------|-----------------------------------------------------|-------------------------|
| As per requirement justified by solution provider | Upto 2 KW                                   | 3.5 Lakh                                            | 100%                    |
|                                                   | Between 2KW – 5KW                           | 6.5 Lakh per site/ deployment                       | 50%                     |
|                                                   | Additional slabs of 5 KW (5-10, 10-15 etc.) | Power consumption charges at highest slab rate +25% |                         |
|                                                   | 35 KVA                                      | 38 lakhs                                            | Power consumption       |



rate @ RS. 10 per unit and add 25 % of the amount so calculated.

- 2.5 The infrastructure charges will be applicable as per infra charge policy amended from time to time.

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