

No.9/135/2013-BP&L
Government of India
Ministry of Information and Broadcasting
'A' Wing, Shastri Bhawan, New Delhi-110001

Dated, the 16th January, 2014

ORDER

The Union Cabinet, in its meeting on 9th January 2014 has approved the Guidelines for Television Rating Agencies in India. In pursuance of this decision, the 'Policy Guidelines for Television Rating Agencies in India are hereby issued as at Annexure. These Guidelines shall come into force after 30 days from the date of issuance of this order.

A copy of these guidelines is also placed on the website of the Ministry of Information & Broadcasting at www.mib.nic.in for information.

(Supriya Sahu)

Joint Secretary to the Government of India
Telefax: 23382597

Encls: As above

Copy to:

1. Cabinet Secretary, Cabinet Secretariat
2. Home Secretary, Ministry of Home Affairs
3. Secretary, Department of Economic Affairs, Ministry of Finance
4. Secretary, Department of Revenue, Ministry of Finance
5. Secretary, Department of Telecommunications, Ministry of Communication and IT
6. Secretary, Ministry of Corporate Affairs
7. Secretary, Department of Industrial Policy and Promotion
8. Chief Executive Officer, Prasar Bharati
9. Secretary, TRAI
10. Principal Director General, PIB

ANNEXURE

POLICY GUIDELINES FOR TELEVISION RATING AGENCIES IN INDIA



**Government of India
Ministry of Information and Broadcasting
Shastri Bhawan, New Delhi**

POLICY GUIDELINES FOR TELEVISION RATING AGENCIES IN INDIA

INTRODUCTION

Ministry of Information and Broadcasting, Government of India has formulated policy guidelines for Television Rating Agencies to operate in India. These guidelines shall be applicable to all rating agencies providing television rating services in India and shall come into force after 30 days from the date of issuance of the same. All rating agencies, including the existing rating agency, shall require registration from the Ministry of Information and Broadcasting in accordance with the terms and conditions prescribed under these guidelines. The Guidelines are as follows:

1. ELIGIBILITY CRITERIA

1.1 The applicant seeking registration for providing television rating services shall be a company registered in India under the Companies Act, 1956.

1.2 The company shall make full disclosure, at the time of application, of Shareholders Agreements, Loan Agreements and such other Agreements that are finalized or are proposed to be entered into. Any subsequent change in these, having a bearing on the foregoing Agreements, would be disclosed to the Ministry of Information and Broadcasting, within 15 days.

1.3 The company shall have, in its Memorandum of Association (MoA), specified rating services or market research, as one of its main objectives.

1.4 The company's MoA shall not include any activity like consultancy or any such advisory role, which would lead to a potential conflict of interest with its main objective of rating.

1.5 Any member of the Board of Directors of the television rating company shall not be in the business of broadcasting/ advertising/advertising agency.

1.6 The Company shall have a minimum net worth of Rs 20 crores. The net worth shall be calculated as per the prescribed proforma and shall be certified by the Statutory Auditor of the company.

1.7 The company shall comply with the following cross holdings requirements.

- (a) No single company/ legal entity, either directly or through its associates or inter-connected undertakings, shall have substantial equity holding in rating agencies and broadcasters/advertisers/ advertising agencies.
- (b) No single company/legal entity, either directly or through its associates or inter-connected undertakings, shall have substantial equity holding in more than one rating agency operating in the same area.
- (c) The cross-holdings restriction will also be applicable in respect of individual promoters besides being applicable to legal entities.
- (d) A promoter company/member of the board of directors of the rating agency cannot have stakes in any broadcaster/ advertiser/advertising agency either directly or through its associates or inter-connected undertakings.

Explanation: For the purpose of para 1.7, substantial equity shall mean equity of 10% or more of paid-up equity. Having a substantial equity holding in companies shall constitute a cross-holding.

Provided that the eligibility conditions stipulated at 1.5, 1.6 and 1.7 will not be applicable in the self-regulation model where the industry-led body, such as, Broadcast Audience Research Council (BARC) itself provides the rating.

1.8 Guidelines regarding Foreign Direct Investment (FDI) in Television Rating Agencies will be issued separately.

2. PERIOD OF REGISTRATION

2.1 Period of registration for the rating agency shall be Ten (10) years from the date of issue of such registration by the Ministry of Information and Broadcasting.

2.2 The registration granted to the company shall be non-transferable, except with the specific and prior approval of the Ministry of Information and Broadcasting as prescribed under Para 21 below .

3. REGISTRATION FEE

3.1 The applicant company will pay an amount of Rs.10 lakhs as registration fee in favour of Pay & Accounts Officer, Ministry of Information and Broadcasting, New Delhi through a Demand Draft payable at New Delhi.

4. BASIC CONDITIONS AND OBLIGATIONS

4.1 The Company, all Directors on the Board of the Company and such key executives like Managing Director / Chief Executive Officer, Chief Financial Officer (CFO), Chief Security Officer (CSO), Chief Technical Officer (CTO), Chief Operating Officer (COO) as may be specified by the Ministry of Information and Broadcasting from time to time, shall require to be security cleared from the Ministry of Home Affairs, Government of India.

4.2 In case of appointment of Directors on the Board of the Company and such key executives like Managing Director / Chief Executive Officer, Chief Financial Officer (CFO), Chief Security Officer (CSO), Chief Technical Officer (CTO), Chief Operating Officer (COO), etc., as may be specified by the Ministry of Information and Broadcasting from time to time, prior permission of the Ministry of Information and Broadcasting shall have to be obtained.

4.3 It shall be obligatory on part of the company to also take prior permission from the Ministry of Information and Broadcasting before effecting any change in the Board of Directors.

4.4 After being held eligible, the applicant Company shall furnish two separate Bank Guarantees (BG) of Rs 25 lakhs and Rs.75 lakhs before the issuance of registration, in the format, so specified by the Ministry of Information and Broadcasting in order to ensure that the company complies with the provisions of these guidelines during the period of registration. The validity of Bank Guarantees shall be 10 years from the date of issuance of registration.

4.5 The Company shall ensure its continued eligibility as applicable throughout the period of registration and adhere to provisions of these guidelines, failing which, action will be taken against the company as specified in Para 11 below.

5. METHODOLOGY FOR AUDIENCE MEASUREMENT

5.1 The company shall put in place a rating process /methodology that conforms to the following conditions /standards /norms:-

5.2 Viewing Platform

5.2.1 Ratings ought to be technology neutral and shall capture data across multiple viewing platforms viz. cable TV, Direct-to- Home (DTH), Terrestrial TV etc.; online platforms to be covered wherever feasible.

5.3 Panel selection

5.3.1 The panel homes for audience measurement shall be drawn from the pool of households selected through an establishment survey.

5.3.2 For selecting the pool of households, a large scale establishment survey shall be carried out. The household pool created through this survey shall be at least ten times the number of panel homes required for audience measurement.

5.3.3 Establishment survey shall be carried out annually to reflect changes in growth of TV homes, changes in demographics, growth in new delivery platforms like internet, variations of growth across markets etc.

5.3.4 The selection of panel homes, from the household pool created through establishment survey, shall be based on distribution of target viewership for a particular segment like age group, socio-economic class, gender, working status, multiple delivery platforms, all States and urban & rural markets.

5.3.5 A minimum panel size of 20,000 to be implemented within 6 months of the guidelines coming into force. Thereafter, the panel size shall be increased by 10,000 every year until it reaches the figure of 50,000. The panel of homes has to remain representative of all television households in the country.

5.3.6 Geographic representation shall be provided in proportion to the TV viewing population.

5.3.7 The rating agency shall not include any officer, employee or any other member, of broadcasters, advertisers and advertising agencies, in the audience measurement panel.

5.3.8 The panel homes shall be updated periodically to reflect the developments taking place in the delivery platforms, growth in viewership etc.

5.4 Secrecy and privacy

5.4.1 Secrecy and privacy of the panel homes must be maintained. In this context the industry body will issue a voluntary code of conduct to be followed by all stakeholders, including penal provisions for breach of the code.

5.4.2 10% additional panel homes beyond the required panel size shall be deployed. The actual panel homes required for computation shall be randomly sampled from the total panel homes deployed. The rating agency will use necessary algorithms to detect outliers having unusual viewing behavior and discard such data.

5.4.3 25% of the panel homes shall be rotated every year. The rotation shall be in such a manner that older panel homes are removed first while maintaining the representativeness of the panel. Such rotation will be achieved in a staggered manner by rotating panel homes every month.

5.5 Data Analysis

5.5.1 All weighting or data adjustment procedures utilized by the rating agency in the process of converting basic raw measurement data to rating reports shall be based on systematic and logical procedure and applied consistently.

5.5.2 Any shortcomings, deficiencies, limitations in the rating system shall be clearly disclosed in the rating reports and also brought to the notice of users of the rating system.

5.5.3 In the event that a rating agency identifies an attempt to bias measurement results by a respondent's submission of fabricated information, it shall eliminate such cases from analysis. In the event that such cases have been included in published data, the agency shall be required to assess the effect on results and notify users about the same along with indication of its practical significance.

5.6 Transparency

5.6.1 The procedure adopted for selection of panel homes and the rotation of the panel homes shall be made transparent.

5.6.2 The rating agency shall submit the detailed methodology it uses to the Government and also publish it on its website.

6. COMPLAINT REDRESSAL MECHANISM

6.1 Every rating agency shall put in place an effective complaint redressal system as prescribed below:

6.2 Establishment of Call Centre

6.2.1 Rating agency, with the commencement of its operations, shall establish one or more Call Centres for the purposes of registering complaints and redressal of grievances of complainants and such Call Centre shall be accessible to them round the clock during all days in a week

6.2.2 Rating agency shall earmark or allot or establish basic telephone or cellular mobile telephone number having sufficient lines or connections to be called as the "toll free number".

6.2.3 Rating agency shall ensure that no call charges are levied upon, or payable by complainants, for calls made to the “toll free number”.

6.2.4 It shall be obligatory for the rating agency to give wide publicity about the Call Centre immediately on establishment of such Call Centre.

6.3 Procedure for handling complaint by call centre

6.3.1 Rating agency shall ensure that the Call Centre, immediately on receipt of complaint or queries, registers such queries or complaints by allotting a unique identification number to be called the docket number and inform the same to the complainant.

6.3.2 The rating agency shall provide the options for registration of complaints online, by email, by post etc. and provide details pertaining to the same on its website.

6.4 Time limit for redressal of complaint

6.4.1 Rating agency shall take necessary steps to address all queries or redress complaints within 7 days of receipt of such complaints.

6.5 Appointment or designation of Nodal Officer

6.5.1 Rating agency shall, with the commencement of its operations, appoint or designate one or more Nodal Officers for the purpose of grievance redressal.

6.5.2 Rating agency shall, immediately on appointment or designation or change of a Nodal Officer

- (a) give wide publicity about appointment or designation of such Nodal Officers or any change thereof;
- (b) display, at its each office, Call Centre, and website and at the office of the Nodal Officer, the name of the Nodal Officer(s), their address(es) and telephone numbers, e-mail addresses, facsimile numbers and other means of contacting them.

6.6 Redressal of Grievances by Nodal Officers

6.6.1 In case a complainant is not satisfied with the redressal of his grievance by the Call Centre, such person may approach, by a letter in writing, or through telephone, or web based online filing of complaints, the Nodal Officer for redressal of his grievance.

6.7 Handling of grievances by Nodal Officers

6.7.1 Every Nodal Officer shall

- (a) be accessible to the complainant at the address so publicized, as required under para 6.5.2 (b).
- (b) register every complaint/grievance lodged.
- (c) issue an acknowledgement to the concerned complainant within three days from date of the receipt of the complaint indicating therein the unique complaint number.
- (d) intimate, within the time limit specified under para 6.8 below , the decision taken in respect of such complaint, to the complainant , immediately after taking the remedial measure for redressal of the grievance.

6.8 Time limit for redressal of complaints by Nodal Officer

6.8.1 The Nodal Officer shall resolve or redress the complaints within ten days of the registration such complaints.

6.9 Establishment of an Appellate Authority for redressal of complaints

6.9.1 The rating agency shall establish an Appellate Authority for redressal of complaints in case a complainant is not satisfied with the redressal of his grievance by Nodal Officer.

6.9.2 The procedure for filing an appeal shall be available on the rating agency's website. Any complaint not addressed within the scheduled timeframe by the Nodal officer shall be automatically escalated to the Appellate Authority.

6.9.3 Appellate Authority shall dispose of complaints within 15 days from the receipts of appeal.

6.10 Requirement to maintenance of records of complaints and publication of complaints

6.10.1 Rating agency shall maintain records of all complaints with them and such records shall include docket number, name and address of complainant,

date and time of filing complaint, type of complaint and redressal date and time and the written confirmation from the consumer that the complaint has been redressed. Details of the complaints and their disposal shall be displayed on the website of the rating agency.

6.10.2 The records as mandated in para 6.10.1 shall be kept till the expiry of three months from the date of resolution of a complaint and the rating agency shall produce the records whenever called upon by the Ministry of Information and Broadcasting or TRAI .

6.11 Complaints forwarded to rating agency by the Government or TRAI

6.11.1 Government or TRAI may, forward to the rating agency for redressal the complaints-

- (a) being the complaints, alleging violation of the guidelines ;
- (b) being the complaints, of the rating agency which are generic in nature;
- (c) being the complaints, alleging the practices adopted by the rating agency adversely affecting the interest of the stakeholders

6.11.2 The rating agency shall resolve or redress such complaints within fifteen days from the date of forwarding of the complaints by the Government or TRAI.

7. SALE AND USE OF RATINGS

The rating agencies shall be required to adhere to the following norms related to sale and use of ratings:

7.1 The rates for rating data/reports shall be non-discriminatory and transparent and the rate card for rating data/reports shall be published in the public domain by the rating agency.

7.2 The data generated by the rating agency be made available, on paid basis, to all interested stakeholders in a transparent and equitable manner.

7.3 Use of such data to be governed by the terms and conditions specified by the rating agency providing the rating data.

7.4 The rating agency shall publish the categories of data/reports available for use along with the terms and conditions on its website.

7.5 Sharing of the data/reports with a third party or in public domain be allowed subject to the fair usage policy of the rating agency. Such fair usage policy shall be provided on the website of the rating agency.

8. DISCLOSURE

The following information shall be disclosed by the rating agency on its website:

- a. Detailed rating methodology in clear terms including possible sources of errors.
- b. Details about the coverage in terms of geographical and other socio-economic representation.
- c. Possible sources of conflict of interest, which could impair its ability to make fair, objective and unbiased ratings.
- d. Quality control procedures with respect to all external and internal operations which may reasonably be assumed to exert significant effects on the final results.
- e. Rate card for the various reports and discounts offered thereon.
- f. Ownership pattern of the rating agency, including foreign investment/joint venture/associates in the agency.
- g. Quarterly/Annual audit reports.
- h. Complaint redressal statistics.
- i. Comments/viewpoints of the users of the rating data.

9. REPORTING REQUIREMENT

9.1 The rating agency shall annually report to the Ministry of Information and Broadcasting on following aspects:

- a. Equity structure, share-holding pattern including foreign investment/joint venture/associates in the rating agency. Any changes during the reporting period, if any, shall be reported immediately.
- b. Details of key executives and Board of Directors.

- c. Interests of the rating agency in other rating agencies/ broadcasters / advertisers / advertising agencies.
- d. Details of coverage of rating services.
- e. Subscription and revenue details.
- f. Any other information and reports as may be asked for by MIB or TRAI, from time to time.

9.2 The company shall be bound to give such information with respect to its ratings or its operations as may be required by the Central Government or Telecom Regulatory Authority of India (TRAI) or any agency authorized by the Central Government or TRAI, as the case may be, within such period and in such format, as may be specified by the Central Government or TRAI or their agency.

9.3 The authorised signatory of the company providing the information sought for under Para 9.2 shall also be required to affirm as to the correctness and truthfulness of the information so provided.

10. REQUIREMENT FOR AUDIT

10.1 The rating agency shall set up an internal audit mechanism for ensuring that its internal processes and guidelines issued by the Government are being followed. This shall be conducted quarterly and the report placed on its website.

10.2 The rating agency shall get their rating process/system audited annually by a qualified independent auditor. The auditors of rating agency shall state in their report whether proper mechanisms and procedures exist for credible rating system. The report of the independent auditor shall be placed on the website of rating agency.

10.3 The cost of audit shall be borne by the concerned television rating agency.

10.3 The Ministry of Information and Broadcasting or TRAI reserves the right to audit the systems/procedures/ mechanisms of the rating agency, should such a need arise.

11. ACTION UPON NON COMPLIANCE OF GUIDELINES

11.1 Consequences of violation of guidelines

11.1.1 Any breach of prescribed guidelines shall attract the following action:

- (a) Non-compliance of guidelines on cross-holding, methodology, secrecy, privacy, audit, public disclosure and reporting requirements shall lead to forfeiture of both Bank Guarantees furnished by the company under Para 4.4 above in the first instance, and, in the second instance shall lead to cancellation of registration.
- (b) For violation of other provisions(excluding provisions stated at para 11.1.1 (a) above) of the guidelines, the action shall be forfeiture of Bank Guarantee of Rs. 25 lakhs for the first instance of noncompliance , forfeiture of Bank Guarantee of Rs. 75 lakhs for the second instance of non compliance and for the third instance, cancellation of registration.

11.1.2 Suitable opportunity shall be given to the company before taking action under Para 11.1.1 above.

11.1.3 In the event of cancellation of registration, the Government shall not be responsible for any investment already made by the company towards the generation of ratings or any another activities associated with it or by any other party on the strength of his registration.

11.1.5 Any action taken against the rating agencies by the Central Government under Para 11.1.1 shall be taken only after giving a written notice to the company to show cause and non-satisfaction from cause so shown shall render the company liable for the proposed action/ cancellation of registration.

11.2 Termination for non eligibility

11.2.1 The Government may, at any time, cancel the registration without compensation to the company in case the company fails to meet the eligibility criteria as laid down in these Guidelines at any point of time during the period of registration or its security clearance is withdrawn or liquidation proceedings are initiated or becomes bankrupt or otherwise insolvent or applies for being adjudicated insolvent / bankrupt, provided that such cancellation shall not prejudice or affect any right of action which has accrued or will accrue thereafter to the Government.

11.3 Termination for convenience

11.3.1 The company may surrender the registration, by giving an advance notice of one month to the Ministry of Information and Broadcasting as well as to all concerned/affected parties.

12. PROCEDURE FOR TAKING ACTION UPON NON COMPLIANCE OF GUIDELINES

12.1 The Ministry of Information and Broadcasting will constitute an Inter-Ministerial Committee (IMC) to look into the violation of guidelines by the rating agency cited in 11.1.1(a) and 11.1.1 (b). In case there are any violations, the Government may *suo moto* or on basis of complaints takes cognizance and issue a written notice to the company to show cause within a specified. Thereafter, the matter will be placed before the IMC for its consideration. On the recommendation of the IMC, a decision to impose penalties shall be taken by the Ministry of Information and Broadcasting. However, before taking action, the company shall be given an opportunity to represent its case. The Ministry shall, however, be at liberty to specify any other mechanism to take action for such violations.

o13. INSPECTION

13.1 The Government of India, Ministry of Information & Broadcasting or TRAI or its authorized representative(s) shall have the right to inspect premises of rating agencies where ratings are generated, as well as panel houses. No prior permission /intimation shall be required to exercise the right of Government or TRAI or its authorized representative to carry out the inspection. The company will, if required by the Government or TRAI or its authorized representative(s), provide necessary facilities for continuous monitoring for any particular aspect of the companies activities and operations.

13.2 The Government of India, Ministry of Information & Broadcasting or TRAI or its authorized representative(s) will ordinarily carry out the inspection after reasonable notice except in circumstances where giving such a notice will defeat the very purpose of the inspection.

14. NATIONAL SECURITY AND OTHER CONDITIONS

14.1 It shall be open to the Government to restrict the rating agency from operating in any sensitive area from the National Security angle. The Government of India, Ministry of Information & Broadcasting shall have the right

to take over the entire services and networks of the rating agency or revoke/terminate/suspend the registration of the company for a specified period in the interest of national security or in the interest of emergency or war or low intensity conflict without giving prior notice to the company. The company shall immediately comply with any directives issued in this regard failing which the registration granted shall be cancelled and the company disqualified to hold any such registration in future for a period of five years.

Provided that any taking over or suspension of registration, issuance of a directive as described above shall neither be a ground for extension of registration period nor any compensation.

14.2 The company shall not use any equipment, which are identified as unlawful and/or render network security vulnerable for the generation of ratings.

14.3 The company shall not import or utilize any equipment, which are identified as unlawful and/or render network security vulnerable.

14.4 The Company shall not transfer databases to any person/place outside India unless permitted by relevant Law.

14.5 The company should familiarize/train designated officials or the Government or officials of TRAI or its authorized representative(s) in respect of relevant operations/features of their systems.

15. REGISTRATION VIS-A-VIS SECURITY CLEARANCE

15.1 The registration shall be subject to the company remaining security cleared throughout the currency of registration. In case the security clearance is withdrawn the registration granted is liable to be terminated forthwith.

15.2 In the event of security clearance of any of the persons associated the rating agency is denied or withdrawn for any reasons whatsoever, the company will ensure that the concerned person resigns or his services terminated forthwith after receiving such directives from the Government failing which the registration granted shall be cancelled and the company shall be disqualified to hold any such registration in future for a period of five years.

16. PROVISIONS WITH RESPECT TO EXISTING RATING AGENCIES

16.1 These guidelines shall also be applicable to the existing rating agencies.

16.2 No rating agency shall generate and publish ratings till such time that they comply with the provisions of these guidelines.

17 PROCEDURE FOR APPLICATION AND GRANT OF REGISTRATION:

17.1 All applicant companies shall apply to the Secretary, Ministry of Information & Broadcasting, in triplicate, in the prescribed proforma along with a registration fee of Rupees 10 lakhs. The registration fee shall be furnished in favour of Pay & Accounts Officer, Ministry of Information and Broadcasting, New Delhi through a Demand Draft payable at New Delhi

17.2 On the basis of information furnished in the application form, if the applicant is found eligible, the application will be subjected to security clearance of the company, Board of Directors, Managing Director, CEO and CFO, etc. in consultation with the Ministry of Home Affairs.

17.3 Thereafter the Ministry of Information and Broadcasting will issue registration to the applicant for generating television ratings in India in accordance with the provisions of these guidelines.

18. DISPUTES WITH OTHER PARTIES

18.1 In the event of any dispute between the company and any party other than the Government due to any reason whatsoever, it shall be the sole liability of the company to resolve such dispute amicably or otherwise with the other party and the Government shall have no liability whatsoever in this regard. Further, the company shall undertake to fully indemnify and keep the Government harmless in respect of any action, claim, suit, proceeding, damage or notice to/against the Government for any act of omission or commission on the part of the company, its agents, employees, representatives or servants.

Provided that if any such third party dispute arises on account of non-observance or breach of any rules or regulations or any other terms and conditions of registration by the company as provided, the Government shall also have the right to take any action against the company as provided herein.

19. DISPUTE RESOLUTION AND JURISDICTION

19.1 In the event of any question, dispute or differences arising between the Central Government and the company with respect to registration issued under these Guidelines, the same shall be resolved before Telecom Disputes Settlement and Appellate Tribunal as per the provisions of Telecom Regulatory Authority of India Act, 1997.

19.2 The courts at New Delhi shall have the jurisdiction over all disputes.

20. RENEWAL OF REGISTRATION

20.1 After the expiry of registration, renewal of registration will be considered for a period of 10 years at a time subject to the company's acceptance all of terms and conditions of registration as the Government may prescribe by way of policy pronouncements from time to time.

21. TRANSFER OF REGISTRATION

21.1 The company shall not transfer the registration without prior approval of the Ministry of Information and Broadcasting. On a written request from the company, the Ministry shall allow transfer of registration in case of merger/demerger/ amalgamation, or from one Group Company to another provided that such transfer is in accordance with the provisions of the Companies Act, and further subject to the fulfillment of following conditions:-

(i) The new entity should be eligible as per the eligibility criteria including the net worth and should be security cleared.

(ii) The new entity should undertake to comply with all the terms and conditions of registration granted.

22. ACTION UPON NON GENERATION OF RATINGS

22.1 The company shall be required to generate and publish ratings in accordance with these guidelines within 6 months from the date of issue of their registration, failing which the registration so granted shall be cancelled. However, before taking action, the company shall be given an opportunity to represent its case

22.2 The Ministry of Information and Broadcasting may also cancel the registration if ratings are not generated and published by the company continuously for more than 180 days in any continuous period of 365 days for whatsoever reason. However, before taking action, the company shall be given an opportunity to represent its case.

23. ACTION UPON FURNISHING FALSE INFORMATION

If the company furnishes false information to the Central Government or TRAI, registration of the company shall be cancelled. However, before taking action, the company shall be given an opportunity to represent its case

24. MISCELLANEOUS

24.1 The company shall also be governed by the provisions of the Telecom Regulatory Authority of India Act, 1997.

24.2 The company shall be required to comply with any orders, regulations, guidelines, directions etc. issued by the Ministry of Information and Broadcasting and TRAI from time to time.

24.3 The Government, Ministry of Information and Broadcasting shall have the right to modify at any time the provisions of these guidelines and/or the terms and conditions of registration, if in the opinion of the Government it is necessary or expedient to do so in public interest or in the interest of the security of the State. The decision of the Government shall be final and binding in this regard.

FORM 1

Form for application for registration as **Television Rating Agency**

To
The Secretary
Ministry of Information & Broadcasting
Shastri Bhawan, A Wing
New Delhi – 110 001.

Dated

Sub: **Application for registration as Television Rating Agency**

Sir,

I, authorized person on behalf of company (*name of the Company*)
....., hereby submit the following details for
registration of the Company as a **Television Rating Agency**:

1. Name of the Applicant Company:

.....

2. Date of Incorporation of the Company:

.....

3. Registration details of the Company:

.....

4. PAN of the Company:

.....

5. Main objects of the Company:

a.

b.

c.

6. Contact Details:

a. Address of Head Office:

.....

b. Address of Regional Office:

.....

c. Telephone Numbers:

- i. Landline:
- ii. Mobile:
- iii. Fax:

d. Email address:

7. Net worth of the Company:

Rs.....

a. Structure of Equity Capital:

i. Authorised share capital:

Rs.

ii. Paid up share capital:

Rs.....

b. Share-holding pattern:

i. Direct investment:

1. Indian: %

2. Foreign: %

3. Breakup of Foreign Direct Investment:

a. Individual: %

b. Company: %

c. NRI: %

d. OCB: %

e. PIO: %

ii. Portfolio Investments:

1. Indian: %

2. Foreign: %

3. Breakup of Foreign Portfolio Investment:

- a. FIIs:
- b. NRIs:
- c. OCBs:
- d. PIOs:

iii. Total foreign equity in the Company (direct & Indirect):

.....

8. Equity Share holding in other Companies:

S. No.	Name of the other Companies in which the applicant Company has equity share holding	Is this Company a Rating Agency or Broadcaster/ advertiser/ advertising agency?	Paid up capital of that Company	Paid up capital of the Applicant Company	%age of paid up equity of the Applicant Company in the other Company
(1)	(2)	(3)	(4)	(5)	(6)

9. Particulars of the Board of Directors (starting with CEO/MD):

S. No.	Name/ Percentage	Date of Birth	Nationality	Passport details, if any	Current position held	Address	Are you in the business of Broadcasting/ advertising/ advertising agency? (Yes/No)

10.Details of registration fee paid:

a. Draft amount:

Rs.....

b. Draft Date:

.....

c. Draft drawn on bank:

.....

11.Documents attached:

a. A copy of the Registration Certificate of the Company:
Yes/No

b. A copy of PAN of the Company:
Yes/No

c. A copy of Memorandum of Association (MoA):
Yes/No

d. Shareholding pattern for Applicant Company (in the prescribed format – Table-1) and for investing Companies (in the prescribed format – Table -2)

Yes/No

e. Calculation sheet for Foreign Equity in the Company (direct & Indirect) with a copy of FIPB approval.
Yes/No

f. Details of the Board of Directors of the Company:
Yes/No

g. Audited Balance Sheet, Profit & Loss Account for immediately preceding financial year and certificate of net worth (in the prescribed format – Table-3) by a Chartered Accountant.
Yes/No

h. Details of the paid-up equity capital of the other companies in which the applicant company has holding and the percentage of the holding of the applicant company in all those Companies.
Yes/No

i. Other attachments

- i.
- ii.
- iii.
- iv.

12. Affidavits: Affidavits, as required in Form -1A, on a non-judicial stamp paper of Rs 20, duly attested by Notary are attached.

I/We, the applicant(s) do hereby declare that the above facts are correct in all respects.

Place:

(Signature of the Applicant)
[Authorised signatory of the Company]

Date:

Name:
Seal of the Company

AFFIDAVIT/UNDERTAKING (on Rs 20/- Stamp Paper & Notarized)

WHEREAS I, Shri.....S/O Shri..... in the capacity of(designation) have applied to the Ministry of Information & Broadcasting on behalf of M/S..... for registration as a Television Rating Agency do declare/Undertake that-

- i) We are registered as a Company under the Companies Act, 1956
- ii) As specified in our Memorandum of Association (MoA), one of our main objects is: Rating services* or Market research (**Delete whichever is not applicable*)
- iii) Consultancy or any such advisory role which could lead to potential conflict of interest with main objective of rating are not the activities of the Company.
- iv) Promoter Company/Any member of the board of Directors of our company are not in the business of broadcasting/advertising/advertising agency and would not take up this business activity or become a board of Director in any other company dealing with such activity.
- v) No change of the Board of Directors of the Company would be made without the prior approval of Ministry of Information & Broadcasting.
- vi) Our company/legal entity's total equity holding either directly or through its associates or interconnected undertakings in both rating agencies and broadcasters/advertisers/advertising agencies or more than one rating agency operating in the same area is less than 10% of the paid up capital.
- vii) Each individual promoter of the applicant company has less than 10% holding of the paid up equity in all the companies taken together.
- viii) Our company shall carry out the Television Audience Measurement in accordance with the provisions of the Television Rating Agencies guidelines including **Methodology for Audience Measurement, Complaint Redressal Mechanism, Sale and Use of Ratings, Disclosure, Reporting Requirement, Requirement for Audit, Penal Provisions and Termination of Registration, Inspection, National Security and other Conditions, Disputes, and Transfer of Registration** etc. and rules made there under, & regulations orders directions issued by the Central Government or the Authority from time to time.
- ix) We shall not include any officer, employee or any other member of broadcasting/advertising/advertising agency in the audience measurement panel.

- x) There is no criminal case pending in any court of law against Board of Directors/Key Executives of the Company. Also it is certified that the Board of Directors/Key Executives of the Company have not been convicted of any offence in any court of India for last 10 (ten) years.

Place:

Date:

Signature

Name

Designation

Seal of Company

Table-1

**FORMAT FOR SHAREHOLDING PATTERN TO BE FURNISHED ALONG
WITH APPLICATION**

SHAREHOLDING PATTERN OF APPLICANT COMPANY

M/s _____ AS ON _____

FACE VALUE OF THE SHARE RS. _____

S. No.	Category of Shareholders	Share Holding			
		Direct Investment		Portfolio Investment	
		No. of Shares	% of total paid up shares	No. of Shares	% of total paid up share
1	Indian individual				
2	Indian company				
3	Foreign individual				
4	Foreign company				
5	NRI				
6	OCB				
7	FII				
8	PIO				
9	Any other				

(i) For Indian company (ies), information as per proforma in Table-2 also to be supplied for each company.

(ii) Complete break-up of number of shares of the applicant company held by each Indian company should also be provided.

(iii) In case of FDI enclose copy of FIPB approval.

TABLE-2

DETAILS OF SHAREHOLDING PATTERN OF EACH INDIAN COMPANY HOLDING SHARE IN THE APPLICANT COMPANY AS IN SERIAL NO.2 IN COLUMN (1) OF TABLE-1

i) SHAREHOLDING PATTERN OF COMPANY

M/s _____ AS ON _____

FACE VALUE OF THE SHARE RS. _____

S. No.	Category of Shareholders	Share Holding			
		Direct Investment		Portfolio Investment	
		No. of Shares	% of total paid up shares	No. of Shares	% of total paid up share
1	Indian individual				
2	Indian company				
3	Foreign individual				
4	Foreign company				
5	NRI				
6	OCB				
7	FII				
8	PIO				
9	Any other				

ii) - Do -

iii) - Do -

Note: Repeat same information about each Indian company holding share in the applicant company.

Table -3

Format for the Certificate of Net Worth by the Statutory Auditors

We have audited the Books of Accounts of M/s._____ for the financial year ended March 31, 20__/_ period ended dd/mm/year and certify that the Net Worth of M/s._____ as on March 31, 20__/_as at dd/mm/year is Rs._____(Rupees in words _____)

We further certify that the networth of M/s._____ (Name of the company) is computed as follows. Sl. No.

Sl. No.	Particulars	Amount in Rs.lacs
1.	Book Value of assets	
2.	Book value of fictitious and intangible assets	
3.	Liabilities other than owner's funds	
4.	Net Worth {1-(2+3)}	

Notes

1. **"Net Worth"** has been defined in the Companies Act under section 2(29A) as follows.

'net worth means the sum total of the paid-up capital and free reserves after deducting the provisions or expenses as may be prescribed.

Explanation for the purpose of this clause, "free reserves" means all reserves created out of the profits and share premium account but *does not include reserve created out of revaluation of assets, write back of depreciation, provisions and amalgamations.*

2. Networth

The excess of the book value of assets (other than fictitious assets) of an enterprise over its liabilities.

"Book value of assets"

The amount at which an item appears in the books of account or financial statements. It does not refer to any particular basis on which the amount is determined. Eg. Cost, replacement value etc.

"Fictitious Assets"

Items grouped under the assets in a balance sheet which has no real value (eg. The debit balance of the profit and loss account)

"Liabilities"

The financial obligation of an enterprise other than owner's funds.

Owner's funds means paid-up capital and free reserves

Explanation for the purpose of this clause, "free reserves" means all reserves created out of the profits and share premium account but does not include reserve created out of revaluation of assets, write back of depreciation provisions and amalgamations.