

**GOVERNMENT OF INDIA
INFORMATION AND BROADCASTING
LOK SABHA**

STARRED QUESTION NO:233

ANSWERED ON:06.02.2014

GUIDELINES FOR RATING AGENCIES

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Will the Minister of INFORMATION AND BROADCASTING be pleased to state:

- (a) whether the Government has notified the guidelines that lay a frame work for television rating agencies to function;
- (b) if so, the details thereof;
- (c) whether the Government has consulted various stakeholders before finalizing these guidelines and if so, the details thereof;
- (d) whether the Government also proposes to lay code of conduct for maintaining the quality of contents and authenticity of news and other TV programmes; and
- (e) if so, the details thereof?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) FOR THE MINISTRY OF INFORMATION AND BROADCASTING (SHRI MANISH TEWARI)

(a) to (e): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF THE LOK SABHA STARRED QUESTION No. 233 FOR ANSWER ON 06.02.2014.

Ans. (a) to (c): The Ministry has notified the Policy Guidelines for Television Rating Agencies in India on 16.01.2014 which, inter-alia, cover detailed procedure for registration of rating agencies, eligibility norms, terms and conditions of registration, cross-holdings, methodology for audience measurement, complaint redressal mechanism, sale and use of ratings, audit, disclosure, reporting requirements and action on non-compliance of guidelines etc. The guidelines are also available at the Ministry's website at www.mib.nic.in. These guidelines are based on recommendations made by the Telecom Regulatory Authority of India (TRAI) on "Guidelines for Television Rating Agencies" dated 11th September, 2013. TRAI issued a consultation paper on 17th April 2013 bringing out various issues on Guidelines/Accreditation Mechanism for Television Rating Agencies in India. Subsequently TRAI also organized open house discussion in the matter on 1st July, 2013. The recommendations have been made by TRAI after holding wide-ranging consultation with various stakeholders. Salient features of guidelines are as follows:

- # All rating agencies including the existing rating agency shall obtain registration from the Ministry of Information and Broadcasting.
- # Detailed registration procedure, eligibility norms, terms and conditions, cross-holding norms, period of registration, security conditions and other obligations etc.
- # No single company /legal entity either directly or through its associates or interconnect undertakings shall have substantial equity holding i.e., 10% or more of paid up equity in both rating agencies and broadcasters/advertisers/advertising agencies.
- # Ratings ought to be technology neutral and shall capture data across multiple viewing platforms viz. cable TV, Direct-to- Home (DTH), Terrestrial TV etc.
- # Panel homes for audience measurement shall be drawn from the pool of households selected through an establishment survey. 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.
- # Secrecy and privacy of the panel homes must be maintained. 25% of the panel homes shall be rotated every year.
- # Rating agency shall submit the detailed methodology to the Government and also publish it on its website. # The rating agency shall set up an effective complaint redressal system with a Toll free number.
- # The Rating agency shall set up an internal Audit mechanism to get its entire methodology/processes audited internally on quarterly basis and through an independent auditor annually. All audit reports to be put on the website of the rating agency. Government and TRAI reserve the right to Audit the systems /procedures/mechanisms of the rating agency.
- # Non-compliance of guidelines on cross-holding, methodology, secrecy, privacy, audit, public disclosure and reporting requirements shall lead to forfeiture of two Bank Guarantees worth Rs. 1 crore furnished by the company in the first instance, and, in the second instance shall lead to cancellation of registration. For violation of other provisions 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.
- # 30 days time shall be given to the existing rating agency to comply with the guidelines.

(d) to (e): Broadcasters are required to comply with Programme Code and Advertising Code enshrined under Cable Television Networks (Regulation) Act, 1995 and rules framed thereunder. These codes lay down the entire gamut of principles to be adhered to while telecasting programmes and advertisements on Television channels.