

## Memorandum of Understanding(MoU)

This Memorandum of Understanding ("MoU") is executed at New Delhi on this 9<sup>th</sup> day of the month of January in the Year 2019 between the Ministry of AYUSH, Government of India having its office at AYUSH Bhawan, GPO complex, INA Colony, New Delhi-110023 through its authorized signatory **Dr. D.C. Katoch** (hereinafter referred to as "AYUSH") (which expression shall, where the context so admits, be deemed to include its successors, executors, administrators and assignees) on the ONE PART.

AND

The Advertising Standards Council of India (ASCI), a self-regulatory voluntary organization of the advertising content, having its office at 717/B, Aarus Chambers, S.S. Amrutwar Marg, Worli, Mumbai - 400018, through its authorized signatory Smt. Shweta Purandare (hereinafter referred to as "ASCI") (which expression shall, where the context so admits, be deemed to include its successors, executors, administrators and assignees) on the OTHER PART.

Both AYUSH and ASCI shall hereinafter be collectively referred to as "Parties" and individually as "Party".

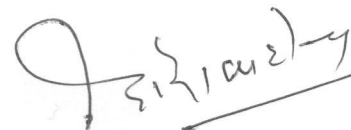
WHEREAS:

Ministry of AYUSH was formed on 9<sup>th</sup> November, 2014 to ensure the optimal development and global propagation of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homeopathy.

AND

ASCI & its Consumer Complaints Council (CCC) deal with the complaints received from Consumers, Industry as well as regulatory authorities against Advertisements which are considered as False, Misleading, Indecent, Illegal, leading to Unsafe practices, or Unfair to competition, and in contravention of the ASCI Code for Self-Regulation in Advertising.

WHEREAS the Ministry of AYUSH is desirous of assigning the work of processing the complaints of misleading advertisements with respect to Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homeopathy Medicines, treatments and related services on behalf of Ministry of AYUSH.



WHEREAS the ASCI has accepted the work for processing the complaints of misleading advertisements with respect to Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homeopathy Medicines, treatments and related services on behalf of Ministry of AYUSH.

Accordingly, it is hereby agreed by and between the Parties as follows:

1. **EFFECTIVE DATE:**

This MoU shall come into force with effect from 1<sup>st</sup> April 2018 to 31<sup>st</sup> March, 2019.

2. **TERM OF THE MoU:**

The MoU will be operative for a period of one year from the effective date as mentioned at point no. 1.

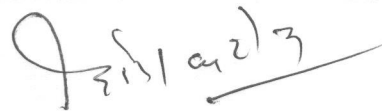
3. **SCOPE OF WORK:**

3.1 To undertake comprehensive monitoring of advertisements appearing with respect to Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homeopathy Medicines, treatments and related services in print & TV media. However, this does not include Teleshopping advertisements.

3.2 Complaints being received directly by ASCI from consumers/any other stakeholders/ Suo Moto, across media (media are any means used for the propagation of advertisements and including and not limited to Press / Print media, TV, Radio, any written or graphic matter on Packaging and labelling, Cinema, Hoardings, Point of Sale Material, Hand Bills, Direct mail, posters, Internet, etc.) be processed by ASCI and included in the report to be provided to Ministry of AYUSH. However, complaints against Teleshopping advertisements would be directly referred to the Ministry of AYUSH for their perusal and necessary action.

3.3 To handle complaints of misleading advertisements forwarded by the Ministry of AYUSH.

3.4 To bring to the notice of the defaulter, the concerned State Regulatory Authority (wherever the details of the concerned manufacturer/ advertiser of the said product/s or service/s being advertised are available to ASCI) as well as the Ministry of AYUSH any Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homeopathy Medicines, treatments and related services advertisement that is violating the relevant Rules and Regulations, The Drugs

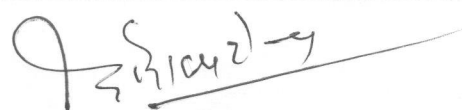


and Magic Remedies (Objectionable Advertisements) Act, 1954 and Rules thereunder, The Drugs and Cosmetics Act, 1940 and Rules thereunder and /or the provisions of ASCI's code for Self -Regulation in Advertising, making unsubstantiated claims and misleading the consumers, action taken by ASCI and non-compliance of ASCI's recommendation for further action required to be taken by the State Regulatory Authorities and the Ministry of AYUSH. Advertisements that prima facie are in potential violation of the Drugs and Magic Remedies (Objectionable Advertisements) Act, 1954 and Rules thereunder and the Drugs and Cosmetics Act, 1940 and Rules thereunder would be directly referred to the Ministry of AYUSH and the concerned State Regulatory Authority (wherever the details of the concerned manufacturer/ advertiser of the said product/s or service/s being advertised are available to ASCI) for their information and necessary action.

3.5 The complaints shall be handled from the stage of taking cognizance of the complaint till the final recommendation by ASCI in consonance with principles of advertising laid down in ASCI's Code and current guidelines, for Self-Regulation in Advertising, The Drugs and Magic Remedies (Objectionable Advertisements) Act, 1954, The Drugs and Cosmetics Act, 1940 and Rules thereunder and/or Government Rules & Regulations, which may be amended and new guidelines issued from time to time. The mechanism of examination of such complaints maybe as per ASCI's procedures and processes, as modified from time to time. The final decision whether or not an advertisement is misleading objectionable and/or undesirable shall be taken in accordance with the relevant Rules & Regulations, The Drugs and Magic Remedies (Objectionable Advertisements) Act, 1954, The Drugs and Cosmetics Act, 1940 and Rules thereunder and/or ASCI's Code for Self-Regulation in Advertising by AYUSH/Competent Authority after considering the recommendations made by ASCI.

3.6 The process of 'Review' sought by advertisers on decisions as given by ASCI shall be applicable on all complaints referred by Ministry of AYUSH, or complaints received by ASCI, or complaints processed on Suo-Moto basis by ASCI. A 'Review' shall be treated as a separate complaint for the purposes of adjudication and of fees payable to ASCI.

3.7 When any recommendation made by ASCI on a complaint relating to Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homeopathy Medicines, treatments and related services is the subject of challenge in a court of law or ASCI is involved as a party along with the Ministry of AYUSH in such court proceedings, then ASCI and the Ministry of AYUSH shall jointly defend the case. The cost incurred in defending the court case in such/any court proceedings shall be equally shared between ASCI and the Ministry of AYUSH.



3.8 In cases where there is more than one complaint against a single party's advertisement/s which have the same claim, these shall be clubbed together and shall be treated as single complaint.

3.9 Advertisements processed by CCC and/or resolved wherein the advertiser ensures compliance within stipulated time from the date of the complaint being received by advertiser shall be taken into consideration for reckoning of number of complaints during the year/period.

#### 4. REPORTS:

4.1 ASCI shall send a monthly report to the Ministry of AYUSH on the number of complaints processed during that particular month. The report shall be sent within 15 working days after the minutes of the last meeting of ASCI's CCC for that particular month are issued.

4.2 Non-Compliance in terms of absence of confirmation of compliance within the specified time, non-withdrawal or non-modification/s as recommended by ASCI's CCC would be reported as and when such non-compliance/s are identified so that the Ministry of AYUSH may take necessary action against such errant advertiser.

4.3 ASCI will also forward the supporting documents on the basis of which the decisions were/are taken by the ASCI.

4.4 Monthly teleconference / video conferences between officials of Ministry of AYUSH and ASCI can be held and face to face meetings may be held twice in a year in Delhi to discuss the progress and other related issues in processing the complaints.

#### 5. TERMS OF PAYMENT:

5.1 Ministry of AYUSH shall pay to ASCI in the stipulated time period of one year for processing advertisements in a year on pro-rata basis (i.e. per advertisement) at the rate of Rs.2000/- (Two thousand only) for each errant advertisement (including applicable GST per advertisement)..

5.2 The Ministry of AYUSH shall make the payment to ASCI on the submission of the progress reports and on receiving payment request letter from ASCI at the end of one year.



5.3 Within 15 working days following the end of one year on 31<sup>st</sup> March, 2019 the reconciliation of complaints processed during the year shall be done by both the parties and ASCI will raise an invoice on pro-rata basis during the period of MoU.

5.4 After reconciliation, the balance amount, if any, shall be paid to ASCI by Ministry of AYUSH within 30 days from the receipt of invoice.

6. **TAXES:**

Ministry of AYUSH is not responsible to pay any taxes.

7. **TERMINATION:**

This MoU may be terminated by either party by giving 30 days advance notice.

8. **NOTICES:**

All correspondence and notices under this MoU shall be given in writing at the above mentioned addresses and e-mail IDs of the nominated officials unless specified otherwise. In case of change in address, the party shall notify the other party in writing about such change.

9. **DISPUTE RESOLUTION:**

If any dispute arises between the Parties in connection with this MoU, the Parties shall endeavor to settle such disputes amicably. In case the Parties fail to settle such disputes within a period of thirty (30) days from the date of reference, either Party shall be entitled to refer the disputes to an Arbitrator mutually appointed by the Parties. The Arbitration proceedings shall be conducted in Delhi /Mumbai and the same shall be governed by the provisions of the Indian Arbitration & Conciliation Act, 1996.

10. **AMENDMENTS:**

No variation in or modification of the terms of the MoU shall be made except by written amendment Signed by the parties.



11. **ENTIRE MoU:**

This MoU constitutes the entire agreement and understanding between the Parties, and supersedes any previous Agreement or understanding or promise between the parties, relating to the subject matter of this MoU.

In witness whereof this MoU has been executed by the parties on the date, month and year mentioned herein above.

**For Ministry of AYUSH**

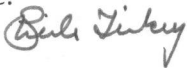


Name: Dr. Dinesh Chand Katoch  
Designation: Adviser (Ayurveda)  
Date:

**Witness:**


**For Ministry of AYUSH**

Signature:



Name: Shiela Tirkey  
Designation: Under Secretary  
Date:

**For ASCI**

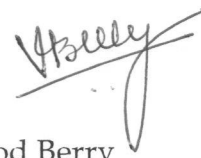


Name: Shweta Purandare  
Designation: Secretary General  
Date:

**Witness :**

**For ASCI**

Signature:



Name: Vinod Berry  
Designation:  
Chief Administrative Officer  
Date: