Chapter II

THE BUSINESS OF NEWS CHANNELS

2.1 MEDIA: A UNIQUE INDUSTRY

Based on its market structure and operational behaviours, Media is called a unique industry. There are various criterion and characteristics of media which help it earn the tag of being unique. The same are discussed in the following paragraphs.

Most of the products and services world-wide are created following similar principals. The seller adds various costs incurred during the production of any product. This includes fixed costs like infrastructure, machinery, labour charges etc and variable costs like price of raw material, production, distribution, marketing and advertisement of per unit of the product. To this the margin of profit is added and a price tag is labelled against the product. Any consumer who wants to have the product or service needs to pay for the entire price and avail it. Media however, works differently. It is the only industry in which user does not pay for the entire cost and profit of the product. Thus, media is the only industry which operates and competes in two different markets for generating its revenue. Because of this special characteristic, media economist and author Robert Picard described media as “Dual Product Market.” (Picard, 1989)

The product in case of any media firm is the ‘content’ it creates. The nature and value of the content may vary from pure entertainment to news to information or education. The first market in which all media companies, making and selling similar kind of content, compete with each other is that of audience or the people who consume the content. Every company tries to maximize the eyeballs consuming its content and tries to produce the type of contents which generate maximum audience attention. Audience pay for the content they are consuming through subscription fees either to their newspaper
vendor for newspaper or magazines or in case of television to the operator who is using a certain technology for connecting their television sets to satellite channels.

The second market where media companies compete is that of advertisements. Advertisements are the principal earners for media companies and in television, especially in TV news, many times the sole earners as well. This is because, for news channels, earning revenue through subscription is still a very complicated one. (more about that in the chapter on revenue streams). Advertisers on the other hand use the media platform and their content to reach out to their target audience (TG) or potential buyers. Their interest is not in the content being shown but in the demographic\(^1\) and psychographic\(^2\) profiles of the audience watching the content.

Every media company competes with others both in the audience market and that of the advertisers. These two markets, of course, are not completely isolated from each other. They rather share a lot of mutual dependence. The more is a media firm’s audience share, the more advertisers will be interested in advertising through it. Also, the firm can demand more price for every unit of space or time slot it sell for advertisements.

Scholars over the years have also highlighted the other characteristics of media industries which make them unique. According to Albarran, Many media companies operate in specific areas, or geographic regions. (Albarran, 2001). In some cases it is regulated by the authorities for example in India, Ministry of Information and Broadcasting (I&B) gives FM licenses to private companies for specific circles. In other cases, companies simply pick and choose the geographic markets in which they are willing to operate as per market conditions and their individual profitability.

Media cannot be considered as merely a product to be used by consumers. Media are also resources to citizens with important informational, educational and integrative functions. In addition to their informational and educational functions, the media have the potential

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\(^1\) Demographics are the quantifiable statistics of a given population. Especially defined by criteria such as age, sex, education level, income level etc

\(^2\) Psychographics is the study of personality, values, attitudes, interests, and lifestyles of a population.
to promote social integrations by bringing people together across geographic and social boundaries. Because media are important contributors to these educative, deliberative and integrative processes, conceptualising media simply through the language of consumption is inadequate. (Hoynes and Corteau, 2006)

Apart from these, media is different from other industries because it enjoys special legal protection in most countries (ibid). This of course comes with a lot of responsibilities in any democracy especially a developing one. However, unlike print media, broadcasters traditionally have not enjoyed absolute freedom in India. Since, they use public airwaves and rely on a government licensing system to allocate space and traffic, there is some degree of regulation in radio and TV.

2.1.1 Television in India: From a platform of development communication to a fiercely competitive market:

A quick look at the history of Indian television will point out at the vast gap between its birth as a platform of communication technology and its incarnation as a full-fledged media industry. Almost four decades to be precise.

What started as an experimental telecast by the Indian government in 1959 remained confined within the strict control of the ministry of Information and Broadcasting for a fairly long time period. It all started with a UNESCO grant of $20,000 and some discounted television sets by Philips. 15th September 1959, marked the launch of the first Television telecast in India from a makeshift studio at All India Radio headquarters which had a reach of barely 25 kilometres around Delhi and was seen in some teleclubs. (Kumar, 2010). While the Delhi television station stared expanding its reach and program duration (albeit at a very slow pace), it still didn’t have a separate address of its own and kept operating from the Aakashwani building. On the other hand, the other three metro cities, Bombay, Calcutta and Madras were patiently waiting for their turn to boast of a television station. Meanwhile, television enthusiasts around the national capital had to pay a hefty premium to get their television sets imported.
All the changes however, took place in quick succession during the 70s. While Bombay got its own television station in 1972, Madras and Calcutta along with Lucknow joined it in 1976. Around the same time their parent station in Delhi finally was brought out of the shadows of All India Radio and became an Independent media unit in the Ministry of Information and Broadcasting. Made in India television sets also entered the market around mid-seventies (ibid.)

The increasing reach, popularity and somewhat affordability of television lead to another significant change which took place around the same time when telecast of advertisements finally started from all centres of Doordarshan from January 1st 1976. Till that time the complete infrastructure and manpower deployed to run the television operations in India was entirely paid for using the taxpayers’ money. The decision to generate its own resources to cover a part of expenses by Doordarshan thus created new avenues and gave birth to a lot of associated business segments, from specialized creative teams in advertising agencies to small production houses who bought slots from Doordarshan and produced content. Advertising agencies not only started keeping aside a portion of their client’s budget for buying airtime on Doordarshan but also took up the responsibility of producing shows themselves. Advertising agency Lintas produced a popular detective serial Karamchand (Kohli, 2009). On the other hand DDs revenue from advertisement rose from Rs. 170million in 1983-84 to Rs2.1 billion in 1989-90. By the early 1990s, DD began charging anywhere between Rs.100,000 to 500,000 as a minimum guarantee or telecast fees. In exchange it gave a certain portion of the program airtime to the producer. (ibid)

News segment on Government owned Doordarshan however was nowhere even close to being shared with private production houses during the initial years. The obvious reason behind it being the Government’s fear that private News broadcast would end up allowing anyone to say anything against the ruling party on the national television.

Thus, although during the 80s, television had become a commercial mass medium in all true senses, much because of the in-depth coverage of 1982 Asian Games and successful
broadcast of very popular weekly mythology shows ‘Ramayana’ and ‘Mahabharat’, news broadcast was still under overwhelming political and bureaucratic control. The glimpse of this control could be traced in a Government’s much famous quote in 1986 that “There was no right to free speech on television.”

Thus, it was really challenging for the private production houses to enter the news market in India using Doordarshan’s platform. However, Prannoy and Radhika Roy, pioneers of private news telecast in India, got a way around it. Their company New Delhi Television (NDTV) managed to get permission from Doordarshan to air a weekly round-up of world affairs ‘The World This Week’. Though the initial license was only for 13 episodes, the mega success of the program kept it on air for a record 291 episodes from November 1988 to April 1996. (Mehta, 2008)

On the other hand, India Today group discovered another route to escape government censor on news. Its monthly video news magazine ‘Newstrack’ reached out to the much enthusiastic eager viewers through thousands of video libraries across the country.

As the appetite of Indian audiences for imaginative and quality entertainment and balanced and in-depth coverage of news increased, so did the enthusiasm of independent production houses, journalists and even entrepreneurs who could sense a huge market potential in this segment. With every step the private television companies took, revelations regarding unawareness of laws, pitfalls in regulations and double standards in Government’s intentions in promoting better broadcast were brought into everyone’s notice.

So, it was with down linking and broadcasting of CNN during the gulf war in Mumbai hotels that the industry got to know that there were no laws in India which prohibited down linking of foreign news channels in India. When Indian entrepreneur Subhash

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3 Replying to a writ petition filed by lawyer Indira Jaisingh The Government of India and Doordarshan had made this remark saying Article 19 of the constitution, which guarantees free speech did not apply to TV programs. The argument however was rejected. This case is also mentioned in Arvind Rajgopal’s book Politics after Television.
Chandra leased a spot on a second hand private satellite and launched India’s first privately owned Hindi satellite channel Zee TV in October 1992, he had to uplink his signals from Hong Kong since, up linking was not allowed from Indian soil.

Satellite news however was still patiently waiting for its turn to be unleashed. The seeds for this were sown 3 years later when Zee TV added one news bulletin per day in the menu card of its otherwise entertainment centric channel. On the other hand after continuous attempts to start an India centric news bulletin, NDTV got its way through the newly launched DD Metro in 1995. Thus ‘News Tonight’ was launched as a 30minute daily news bulletin with a rider that it could not be broadcast live. This contract with Doordarshan, however restrictive it may sound, act as a catalyst for NDTV soon to get a contract to produce news bulletins for Rupert Murdoch’s STAR Plus. The satellite News industry in India was already showing signs of labour for the first news channel to be delivered.

It is also a well known anecdote from the history of news channels in India that launch of the first 24x7 news channel was incidental rather than planned. During 1998 general elections, Star’s News Channel actually started only as an ‘election channel’ meant to cover the campaign and voting in great detail and land only for three months. But it worked so well that it was never shut down. The success of the election channel resulted in an agreement (between Rupert Murdoch’s Star and Prannoy Roy’s NDTV) to continue running it as a 24-hour news channel, Star News, to continue for another five years. (Mehta, 2008)

In no time Star News had a competitor in Zee News which was quickly followed by brands like ETV and Aaj Tak which converted the business of producing and presenting News and Current Affairs content into a competitive market and later as a thriving industry.
2.2 NEWS CHANNELS AS BUSINESS ENTITIES IN INDIA:

The journey of news from a selectively chosen, closely censored and unimaginatively aired form of content on Doordarshan to a media ‘product’ which was perceived and driven completely by the market forces was rather a quick one. The private TV news industry in India which was completely a sellers’ market from renters queuing up the video parlours to get a copy the popular video news magazine ‘Newstrack’ within a decade became buyers’ market where the thumb rule of selecting news is popular demand instead of basic journalistic principles.

A quick look at the state of TV news industry in India will be able to make us understand the mad rush among News channels to grab every single eyeball to improve its ratings and every single advertisement at whatever price to boost their otherwise precarious revenue figures.

According to the Ministry of Information and Broadcasting, as of 20th December 2012, there are 742 channels in India which have permission both for up linking and down linking satellite signals from the Indian soil. Of these, 392 channels are given licenses under the category of news and current affairs channels and 332 belong to all non-news and current affair genres. On the other hand out of 96 channels which are allowed only to downlink their signals in India, 17 belong to News and current affairs category and 79 to non-news and current affairs. So, of the total 838 channels competing with each other for audience and advertiser attention 409 are news and current affairs and 411 belong to other genres from general entertainment channels (GECs) to sports, movies, music and kids channels (mib.nic.in; assessed on 15th March, 2013). Apart from Hindi and English these channels collectively have permission to broadcast news and current affair programs in more than 15 regional channels plus Nepali and a host of north eastern languages. However, several of these licensed channels like NDTV’s three MetroNation channels and Focus TV among several others are currently not on air. According to TRAI estimates, around 650 TV channels are right now operational and available for viewing in India. Industry experts believe that of these operational channels, there are around 300 news and current affairs channels.
This list however does not include a host of Doordarshan channels. Presently, Doordarshan operates 35 channels – seven all India channels (DD National, DD News, DD Sports, DD Gyandarshan, DD Bharti, DD Rajya Sabha and DD Urdu), eleven Regional Language Satellite Channels (RLSC), fifteen State Networks (SN) an international channel, DD India and one HDTV channel which are available through free terrestrial signals as well as through DTH, digital and analog Cable and IPTV platforms (www.ddindia.gov.in; assessed on 10 March, 2013). Apart from Doordarshan’s own free to air DTH service, DD- Direct plus, at least three of Doordarshan’s channels are mandatorily available on prime bands of all private distribution platforms.

As per an industry reports, total TV households in India were estimated to be 15.5 Crore at the end of year 2012. Assuming that each household consists of 4 adult members, the reach of television is around 62 Crore (i.e. 15.5 Crore x 4). Thus, the reach of the television media in the total population of the country is clearly significant.

News channels are competing fiercely with each other where 411 non news and current affair channels account for over 93% of the market share leaving the 409 news and current affair channels with a precarious under 7% of the market. True, most of these channels are in the industry not just to make money and be profitable but to serve other vested interests of their promoters. As Vinod Mehta, MD, Total TV, puts in, “there are three kinds of people entering the TV news business.” One, politicians who want to use their channels to their benefit; two, businessmen wanting to enter politics or gain political influence; and three, entrepreneurs who want to be in the broadcast business, of which news is a crucial part.” (Shukla, 2009)

Even if these numbers are slashed say by half or even one third, it’s still very overcrowded and needs tough survival tricks. The fact that many news channels in this market have intentions other than just making money only adds to the misery of news channel business on many counts. One, by making the market place overcrowded, it makes it difficult for the audience to identify serious players. More importantly, whatever be the purpose of a channel, more channels eventually end up fragmenting the
advertisement share. For example, in personal interviews during this research, advertisers, who do not want to be named, admit that in many states they do keep aside a chunk of their advertising budget for regional news channels owned by political parties. It might not justify the reach and ratings of the respective channels but does help them in getting other things easier. No wonder most of the serious news channels are bleeding and are barely able to stand properly.

According to FICCI KPMG report, in 2011 television industry in India was of Rs. 329 billion. Of which Rs. 116 billion came from advertisement accounting for about 45% of their total income. However, news channels command a share of advertising revenue disproportionate to their viewership share – the share of advertising revenue is approximately double the share of viewership (approx. 15%). This premium is paid to reach the male audience (the core target group for GECs is female). (FICCI KPMG, 2011)

Advertisers and media planners agree that most of their advertising decisions related to news channels are based on perception rather reach. The basis of their perception expressed using various words and phrases by media planners and advertisers is by and large the same, urban, elite, educated male with maximum spending capacity watch mostly news on television. These perceptions are one of the biggest reasons for the financial survival of the news channels.

Television is the largest media market with approx. 45% of the total market share. While print holds less than 30% of the said market. However, when it comes to advertisement generated revenue, 45% goes to print while television has to make do with 38% of the total advertisement budget.

Here, it is very important to keep in mind that while ‘Print’ predominantly means daily newspapers and mostly news and current affairs magazines, Television includes the entire news and non-news genres of broadcast, in which news channel industry is just a minion
player. Even by going with 15% of advertisement share, news channels in 2011 collectively earned not more than Rs. 16-17 billion through advertisement revenue.

On the other hand, news channels tend to have carriage payout significantly higher than subscription revenue – i.e. they are “net payers” on the distribution front, which is not adequately compensated for by advertising revenue. The last couple of years have been very challenging for news channels, with carriage costs rising but advertising revenues showing muted growth. Rates have been under pressure, and not shown any material increase over the last 3 years. Further, there is very limited potential for revenue increase through volume growth for news channels, as inventory levels are already very high. With an oversupply of content and stagnation in growth rate, the state of television news industry is clearly going through a very rough patch.

While the size of TV industry in India has increased exponentially from Rs. 84 billion in 2000 to 162.5 billion in 2004 to Rs. 380 billion in 2012, the share of news channels in this market has increased from 6.1% in 2004 to 6.72% in 2013 Jan (FICCI KPMG, 2013)

2.3 DIFFERENT COMPONENTS OF TV NEWS INDUSTRY:
Unlike entertainment, music or movie channels, were most of the content is outsourced from TV software production houses; news channels mostly create their own content and produce their own programming. However, a number of channels including the channels run by the public broadcaster Doordarshan do purchase software (content) from private production houses. Apart from content production, distribution plays a crucial part to complete the chain of TV media. TV channels are the sole reason for survival of some industry and occupy a significant part of work culture of many others. Here is a brief description of the industries heavily dependent on television for their existence.

**Distribution:** Unlike print media where distribution of newspapers and magazines are taken care of by the individual company and is pretty much part of the chain and in Radio where there is no distributor needed as signals are automatically received by the radio sets, distribution in electronic medium is a separate industry or rather a set of industries.
Each of the distribution segments uses some form of technology to download television signals of various channels from the communication satellite and carry it to the television sets of individual households. The television service sector in the country mainly comprises cable TV services, pay DTH services, IPTV services and free to air DTH services as well as terrestrial TV services provided by Doordarshan, a public broadcaster. Detail analysis of technical knowhow and industry status of various distribution platforms will be done in Chapter 3 which talks about significance of Distribution as source of revenue to news channels. Another distribution platform Headend In The Sky (HITS) has been cleared by the Ministry of Information and Broadcasting in 2009 but has failed to take off as of now.

**Advertising Agencies:** Advertising agencies worldwide were formed to buy space from newspapers and magazines and create print advertisements for their clients and they did so for more than a century. However, television now is the central stage of all creative and media buying and selling activities. The ongoing move of digitisation of Cable distribution platform is expected to bring in new advertisers to Television which will further increase the dependency of advertising agencies on television.

**Technical and Convergence Platforms:**
While discussing about media markets, it is very important to understand the huge effect technology has on the way media content is created and distributed. No discussion on media industry can be concluded without bringing into consideration the impact of technological developments used to impart communication messages.

Not very long ago, telecommunication, broadcasting and information technology were considered independent of each other and functioned for their individual purposes and catered to different needs for their end consumers. This can be easily understood by the fact that union cabinet has different ministries and department to regulate and facilitate these sectors, while Ministry of Information and Broadcasting takes care of Broadcasting, Ministry of Communication and Information Technology has two different departments to take care of Telecommunication and Information Technology separately. However,
rapid technological advancements in last decade or two has resulted into blurring lines between these sectors. Last decade has seen some of the amazing technological advancements. Gadgets like smart phones, Tablet PCs and technologies like 3G and 4G, Video on Demand, 3D effects have completely changed the way we demand, receive and perceive media.

There is a paradigm shift in the way content is prepared, carried and delivered and television industry is greatly impacted by most of these. The same telecom network that provides landline and broadband services to us now also carries television signals through Internet Protocol Television. Similarly, through digitisation, the cable TV service providers can provide us telecom and internet services. Smart television sets apart from providing 3dimensional content can also let us access internet while computers have an option to let us watch television channels.

The traditional old media, print, is innovating new techniques to keep itself abreast with the 24x7 update advantage of electronic medium. Thus, news and entertainment videos, e-version of the print media are being made available to subscribers on computers and other digital devices such as Smart phones, Tablets, etc. On the other hand, news channel are not only providing SMS alerts of breaking and developing news to their consumers, the same set of information is also available on their respective websites mostly in both video and text format. Convergence of customer premises, equipment, transmission and access media and service providers reduces the cost of delivery of service and it also increases the level of competition. As another example of progressive convergence, many telecom companies in India are offering interactive broadcast content services such as news & updates, astrology, contests & gaming, which had given birth to a new sector of content creation companies which create content only for telecom service providers. Video on Demand (VoD), Internet radio services etc through voice portals are also provided by telecom companies. Market related convergence also occurs due to consumer expectation of one-stop service availability, innovative bundling of services and pricing.
2.4 REGULATORS, INDUSTRY BODIES AND SELF REGULATORY AGENCIES OF THE INDUSTRY:

2.4.1 Ministry of Information and Broadcasting (MIB):- Although MIB is not directly involved in the day to day monitoring of private news channels and has no direct or indirect control over them, it is responsible for framing laws related to the broadcast media and getting them enacted by the parliament which will have a lot of impact on the constitution and functioning of private news channels. Acts related to ownership, content creation, distribution of Television signals and guidelines deciding up linking and down linking of satellite signals are decided by the ministry as per provisions in the constitution. MIB also delegates in depth study of various aspects relate to the industry to the regulator and other government bodies and issues guidelines to the industry as per the recommendations of these studies.

2.4.2 Telecom Regulatory Authority of India: There has been a lot of ambiguity in terms of fixing control and creating regulation for TV channels. Doordarshan followed All India Radio’s footsteps and was completely controlled by Ministry of Information and Broadcasting till 1997 when the controls shifted to Government appointed autonomous body Prasar Bharti. However, when it came to regulating private satellite channels, several subsequent Governments could not come up with a clear agenda. After several rounds of passing the bucks, the NDA Government in 2004 gave the temporary responsibility of regulating private satellite channels to the Telecom Regulatory Authority of India (TRAI)

TRAI was established in 1997 by an act of parliament, called the Telecom Regulatory Authority of India Act, 1997 to regulate telecom services, including fixation/revision of tariffs for telecom services. The act was amended by an ordinance in 2000 establishing a Telecommunication Dispute Settlement and Appellate Tribunal (TDSAT) to take over the adjudicatory and disputes functions from TRAI. The Industry stakeholders are awaiting a separate dedicated regulator and the Government has shown only discreet interest in setting up one at intervals. The Broadcast Regulatory Authority of India (BRAI) was
proposed to be set up as part of the Broadcasting Services Regulation Bill 2006. However, the draft bill ran into troubled waters with the industry stakeholders since it also encompassed regulation of content through a stringent content code. The bill received vehement opposition especially from the news channels which felt that clauses in the content code like right to privacy of citizens and national interest would severely affect their span of coverage. The industry was also opposed to provisions which would restrict cross media ownership. The bill clearly saw Government and industry at opposite ends and is yet to be tabled in Parliament though the subsequent ministers of the UPA Government have publicly shown resolve to get it enacted. Till then, in spite of both enormous growth potential and complications the industry it has to make do with an adhoc regulator.

2.4.3 Indian Broadcasting Foundation (IBF): IBF was established in 1999 as the apex organization of broadcasters on all genres including the foreign ones which are seen on the Indian soil. It consists of major broadcasters which together own more than 250 channels. Mr Ratikant Basu, ex MIB secretary and the first chief executive of Star India was a major force behind establishing the foundation and also served as its first president. The current president of the Foundation is Mr. Manjeet Singh, CEO of Multi Screen Media (MSM).

The foundation’s website explains itself at the accredited spokesman of the broadcasting industry. Its primary objectives are explained as being identifying and pursuing growth opportunities for its members and ensuring that the members present a strong, collective voice regionally, nationally and globally. It is served by a President, a board of directors and a full time secretariat. IBF also has four sub committees for taking care of the various dimensions of its main objective. They are divided as:-

a. IBF High Powered committee on Credit Control and Advertisement Revenue
b. IBF Committee on Credit and Collections
c. IBF Committee on Regulatory Affairs and Content and Legal Issues
d. IBF Committee on Distribution
2.4.4 Broadcasting Content Complaint Council (BCCC): In 2011, under pressure from the Government to be enforced upon with some measure of content regulation, Indian Broadcasting Federation decided to create a self-regulatory body and came up with content guidelines for both news and non-news content. According to IBF website, “The guidelines aim at encouraging creativity keeping in mind the evolving social milieu in which the channels operate and generally applicable community standards. Content will be classified under certain parameters considering the impact of television on young children. The remarkable feature of the Guidelines is ‘self-governance’ and monitoring by BCCC”.

This is how The Broadcasting Content Complaint Council (BCCC) came into being. BCCC is a thirteen (13) member body consisting of a Chairperson being retired Judge of the Supreme Court or High Court and 12 other members. The composition of other members of the council includes

a) Four Eminent Persons,

b) Four Members from any national level Statutory Commissions like National commission for women, National Commission for Scheduled Castes, National Commission for Protection of Child Rights etc. and

c) Four Broadcast Members

The current Chairperson of the council, as decided by the IBF Board is Justice (Retd) A.P. Shah. The other current board members include, Bhaskar Ghose, Shabana Azmi, Vir Sanghvi and Prof. Anand Kumar.

Any person or a group of persons either individually or jointly is authorized to file a complaint either directly to BCCC or to the Standard and Practices (S&P) Department of the concerned broadcaster/television channel within 14 days of the first broadcast of the content. Upon receiving the complaint, the BCCC first decides whether it found the content objectionable with a simple majority of the total members present and then informs the broadcaster and seeks its viewpoint on the matter. If BCCC is not satisfied with the response of the concerned Channel and consider that the channel has violated the Guidelines, BCCC shall direct the concerned Channel to modify or withdraw such content as desirable within a week from the date of receipt of direction from BCCC. If
the Channel defies the order of the BCCC, the matter is usually referred to I&B Ministry within 24 hours.

The complaint redressal mechanism however does not cover films, movie videos and film trailers as these programmes are currently being pre-certified by Central Board of Film Certificate (CBFC). The mechanism does not even cover advertisements sine, all advertisements related complaints are taken care of by The Advertising Standards Council of India.

2.4.5 The News Broadcasters Association (NBA): NBA represents the private television news & current affairs broadcasters. It was formed in 2008 to represent and promote the collective interest of the news & current affairs broadcasters in India. It is an organization funded entirely by its members. Presently the NBA has a member list of 24 leading news and current affairs broadcasters which together own 44 news and current affairs channels. NBA describes itself as a unified and credible voice before the Government, on matters that affect the growing industry.

2.4.6 News Broadcasting Standards Authority (NBSA): NBSA is a self-regulating body appointed by News Broadcasting Association for regulating content of private news channels. The association has established commonly accepted content guidelines as a way of practicing self-regulation for the purpose of defining editorial principles which are consistent with the tenets of the freedom of speech articulated in the constitution of India, the regulatory framework and the common sensibilities of television viewers. The guidelines for self-regulation of news content on television are laid down in the areas like maintaining impartiality and objectivity in reporting, ensuring neutrality, reporting on crime in a way which ensures crime and violence are not glorified, staying away from showing any form of nudity, ensuring privacy of citizens thus ensuring that sting operations are the last resort to give the viewer comprehensive coverage of any news story, refraining from allowing broadcasts that encourage secessionist groups and interests, or reveal information that endangers lives and national security, refraining from advocating or encouraging superstition and occultism and creating provisions to receive
consumer feedback on their respective websites and responding to any complaints received from the viewers.

For addressing any complaints regarding content on news channels, NBSA it consists of a Chairperson who is an eminent jurist and eight other members nominated by the Board of NBA by a majority decision. Members of the authority comprises of 4(four) eminent editors employed with a broadcaster and 4 (four) persons having special knowledge and/or practical experience in the field of law, education, medicine, science, literature, public administration, consumer affairs, environment, human psychology and/or culture. Term of Office of Chairperson and Members is of two years. If any member nominated in his capacity of an eminent editor employed with a broadcaster leaves his job, he automatically ceases to be a member of NBSA as well. In such case, the concerned broadcaster has the option of nominating an alternate editor for the remaining period of the member’s term.

2.4.7 India Media Group (IMG): Indian Media Group an independent body constituted to promote and safeguard the interests of both print and electronic media and to bring together its constituents in order to secure complete integration of the services with the spirit of co-operation in all aspects of media related activities. It is a registered society which monitors legislation on matters affecting the Indian media sectors and makes appropriate representations for and on behalf of the members of the society to Ministries, Departments & Regulatory Authorities at all levels of Government and public life. It also acts as an interface between Indian Media and the Government / Regulator on various strategic issues in the National interest.

2.4.8 Media Research Users Council (MRUC): Media Research Users Council is a registered not-for-profit body of members drawn from major Advertisers, Advertising Agencies, Publishers, and Broadcast/Other Media. MRUC was established in 1994 and right now boasts of almost 250 members from all sectors associated with the industry. Currently MRUC had 100 advertisers and nearly 150 media companies including Doordarshan, Star TV, Bennett Coleman, Hindustan Times, Jagran Group, ABP group,
Matrubhumi, Gujarat Samachar etc. In the field of media research, MRUC serves the interests of its members and conducts research as per their demand related to audience measurement.

2.4.9 Other Industry Bodies:- Apart from these, television channels have fair representation in various general industry bodies like Confederation of Indian Industries (CII), Federation of Indian Chambers of Commerce and Industries (FICCI) and Associated of Indian Chambers of Commerce and Industries (ASSOCHAM). These industry bodies hold annual conferences to discuss challenges and opportunities of the industry and release status report of the industry at regular intervals apart from providing a forum to the industry stakeholders for interacting and lobbying with various government agencies.

2.5 RELATED LAWS AND ACTS:
It has been discussed in earlier sections that there is a lot of ambiguity in the private broadcast industry and it lacks proper regulations to the extent that it does not even have a regulatory body of its own. The industry for almost a decade is being regulated by an agency (TRAI) which was constituted for some other industry (Telecom). To make matters worse, rapid technical advancement in the last decade has extended the ambit of the term broadcast, blurred the lines between telecom and broadcast media and has made telecom a part of broadcast industry. This has further highlighted the need of clarity in regulation and level playing for different stakeholders and technical platforms associated with the broadcast industry. This section will present a snapshot of the existing laws related to private broadcast media as well as the lapsed and awaited ones. Ironically, the country has more number of lapsed bills and drafts related to the broadcast media than the enacted ones.

The first law related to private satellite business was enacted to control the mushrooming of cable operators which were responsible for distributing the satellite signals to households. This, however, still remains the most problematic area of the entire Television business.
On the hindsight, the battle for reform of private television had actually started a little earlier when the I&B Ministry and the Board of Cricket Control in India (BCCI) locked horns over telecast of a series between India and West Indies. BCCI had given the exclusive rights of broadcast to ESPN which did not go down well with the ministry. BCCI approached the Supreme Court which on 9th February 1995, in a landmark judgment, ruled out that the airwaves are public property and they cannot be monopolized by the state. It also made it clear that it was the Government’s duty to ensure that airwaves were utilized to advance the fundamental right of free speech which could not be done in a monopoly, is should rather be operated by a public statutory corporation or corporations since it was the command implicit in Article 19(1)(a). The judges further added that the fundamental right to freedom of speech and expression includes the right to communicate effectively including through the electronic media. Ruling that the Indian Telegraph act of 1885 was totally inadequate, intended for an altogether different purpose when it was enacted. (Mehta, 2008)

2.5.1 Cable Networks Regulation Act (1995): The act to regulate thousands of cable operators which had mushroomed around the country came in March 1995, soon after the Supreme Court judgment on airwaves. Actually, it was first enacted as an ordinance in September 1994 as an ordinance. Till that time, even though the early satellite channels had become part of the daily lives in most parts of the countries, there was no law in India which specified the rules related to private broadcast in India. Cable operators however were aggressively setting up infrastructure to download signals and were wiring up homes with their connections. This law, in attempt to control distribution of signals, made it mandatory of cable operators to get them registered by submitting Rs500 to the postmaster of the local post office. The bill also set a cap on foreign investment in cable network companies to 49% of their total equity. The biggest drawback of the law was that it put the responsibility of quality of content on the cable operators as well. Now it was the cable operators’ job to enforce the program and advertising code as prescribed by the Government and make sure that every program aired on each one of the channels it is distributing follows the said code. Every cable operator was asked to maintain a dairy of every program broadcast on its service every month. They were supposed to keep with
them a record of one year and any breach was subject to two years of imprisonment and confiscation of operating equipments. Practically, however, it was impossible to monitor so every program on every channel which a cable operator carried and even in practice the local authorities which were authorized to enforce the law did not do much.

The law was amended in 2000 with The Cable TV Networks Amendment Bill which made it mandatory for every cable operator to carry three DD channels in the prime band. It also made it the cable operator’s responsibility to ensure that he does not carry any program in respect of which copyright exists under the Indian Copyright Act without the requisite license. The bill was further amended in 2002, making conditional access system mandatory. This required connecting the TV sets to a digital set top box. The biggest flaw of the amendment was that it was completely silent on who would bear the cost of the equipment which needed to be imported and were very expensive. After much protest by cable operators and other stakeholders, this amendment was finally dropped.

2.5.2 Broadcasting Bill (1997): This bill was the first attempt at creating a comprehensive law to enable licensing and regulation of broadcasting. The bill recognized the inadequacy of Indian Telegraph Act, 1885, to govern modern broadcasting media. It also agreed that the public service broadcaster alone was not sufficient to meet the needs and urges of the people in items of variety and plurality of programs required in different regions by different sections of society. Thus the information, education and entertainment needs of the society could be fulfilled by facilitating private broadcasting in the country. Thus the Bill aimed at establishing an autonomous Broadcasting Authority for the purposes of facilitating and regulating broadcasting services in India so that they become competitive in terms of quality of services, cost of service and use of new technologies, apart from becoming a catalyst for social change. The bill also addressed issues like monopolistic trends in content creation so that people are provided with a wide range of news and views. (PIB, 1997). After several attempts of presenting the bill and getting it passed by the Parliament, it finally lapsed only be replaced by another forward looking comprehensive bill in 2001 called the Communication Convergence Bill.
2.5.3 **Communication Convergence Bill, 2001:** The very forward looking communication convergence bill was likely to fill all pitfalls in the regulation of satellite television as well as bring all related technologies for distribution under one umbrella. For the first time, the bill addressed both distribution and content sides of television. It talked about setting up a Communications Commissions of India much following the lines of the Federal Communication Commission in the US. This body would have governed IT, Telecom and media together thus providing for similar regulations and level playing field for all sectors. The Bill also provided for a spectrum management committee, essentially a body that would allocate frequency for telecom, IT and media. The Bill was tabled in 2001 but it finally lapsed. (Mehta, 2008)

2.5.4 **Broadcasting Services Regulation Bill, 2006:** After the Communication Convergence Bill lapsed, the next time the Government could put its act together and formulate another bill related to the issue, was in 2006 when The Broadcasting Services Regulation Bill was drafted. By this time TRAI was already given the responsibility of overseeing the regulatory functions of Broadcast industry. The Bill talked about constituting a Broadcast Regulatory Authority of India (BRAI) much in the lines of TRAI. The Bill was supposed to repeal the Cable Television Network (Regulation) Act of 1995. However, one clause which talked about regulating content of television channels did not go down too well with broadcasters and faced severe protests especially from the news broadcasters and eventually the Government had to drop it in the name of fresh consultation. It never got passed in the 14th Lok Sabha. The current Parliament, in spite of 4 years in the office has not made any move to table the Bill either in its original form or a revised one. The I&B Ministry and the industry regulator TRAI have ever since gone for several rounds of consultations with the industry stakeholders on the issue of content and ownership regulations in the media. One such consultation paper is still open for responses from the industry at the time of writing this chapter.

Apart from the regulations, the Government has time and again come up with several guidelines on up linking and down linking guidelines for the industry.
2.5.5 Uplinking Guidelines from India: - It was in June 1998 when the government for the first time gave permission to Indian companies with at least 80% Indian equity to uplink from India through VSNL. In 1999 the cabinet allowed all Indian companies to uplink from India without the mandatory use of VSNL. In 2003 Government however stated that News and Current affairs channels with more than 26% foreign equity will not be allowed to uplink from India thus for the first time differentiating between news and non-news content. However, there is no restriction on foreign equity in production of software, marketing of TV rights, airtime and advertisements. As of December 2012, there are 746 channels which have permission to Uplink from the Indian Territory out of which 21 channels have permission only to uplink while the rest 725 channels can both uplink and downlink the content. (mib.nic.in, 2012; assessed on 15th March, 2013)

2.5.6 Downlinking Guidelines in India: - For the channels which uplink from outside India and downlink in India, it is mandatory to get them registered in India to ensure no evasion of Tax. The MIB regulation states that the applicant company must have a commercial presence in India with its principal place of business in India and it must either be the owner or have exclusive marketing/distribution rights for the same. (ibid.)

2.5.7 Essentials for Setting up a News Channel in India: News and current affairs TV channel in India is defined as a channel which has any element of news and current affairs in its program content. According to the Ministry of Information and Broadcasting Ministry guidelines, any Indian company registered under the companies act 1956, which has an Indian as the majority skate owner and its direct or indirect investment does not exceed more than 26% of its total net worth is eligible for launching a news channel in India. Minimum net worth needed for applying for such license in set to be Rs. 20 Crore for the first channel and Rs. 5 Crore for each additional channel TV channel. According to the regulatory guidelines, at least 3/4th of the Directors on the Board of Directors of the company and all key Executives and Editorial staff need to be resident Indians and at least one of the persons occupying a top management position in the applicant company should have a minimum 3 years of prior experience in a top management position in a media company (or media companies) operating News and Current Affairs TV channels.
The term “top management position” can be any of the Chairperson, Managing Director, Chief Executive Officer, Chief Operating Officer, Chief Technical Officer or Chief Financial Officer of the Company. (mib.nic.in, 2011; assessed on 20\textsuperscript{th} March, 2013)

The channel needs to start its operations within one year of being granted its license to operate. The guidelines do not the applying company to have any prior experience in running a TV news business nor does it demand a guarantee that the company after it launches the channel and hire the workforce, it will have to run the channel for a minimum certain years of time.

2.6 MAJOR PLAYERS IN THE INDUSTRY:

The early shining stars of news channel market in India came from diverse background with one similar belief. They were all media enthusiasts who realized the potential of television for reaching out and leaving impact on huge population across the length and width of the country. While people like Prannoy and Radhika Roy (NDTV) and Aroon Purie(TV Today) started with content production houses and leased time slots on Doordarshan, entrepreneur Subhash Chandra marked his entry into the industry through the latest technology of that time, satellite channels. He first acquired place in a communication satellite and then went ahead to create content, first entertainment and then news. While some traditional media mughals like Hindustan Times did not have a successful stint in satellite TV and thus stayed away from TV news, others like BCCL (The Times of India group) waited long enough to get into the market.

While most of the media houses first came up with general news and current affairs channels, however, Raghav Behl, an economics and management graduate from Delhi university launched India’s first business news channel CNBC TV18 in collaboration with CNBC (Consumer News and Business Channel owned by NBC in US) before expanding its bouquet to general news and even entertainment.

TV news also found a new way and pace down south which lead the trend of regional news genre as well as channels owned and operated by political parties and individual
politicians. While Sun TV network in Tamil Nadu, one of the first regional news
canals to get license from the ministry of Information and Broadcasting in 2001, is
owned and managed by Kalanithi Maran, Son of late DMK leader Murasoli Maran, soon
a host of news channels JAYA TV(Jayalalitha), Sakshi TV(Jagan Mohan Reddy) joined
the race.

News and current affair segment for the purpose of market analysis has been divided into
four (4) segments.

1. National Hindi News Channels
2. National English News Channels
3. Business News Channels and
4. Regional News Channels

National Hindi and English news channels are the ones which claim to have a pan Indian
content and target audience, while regional news channels create content around political
and social developments in one particular geographic area and target audiences who
speak and understand any regional language (since, regions and states in India are divided
on the lines of language spoken by the population). Maximum number of regional news
channels are, however, in Hindi, which cater to the regional news appetite of the Hindi
speaking north Indian states. Business news channels specialize in broadcasting news
developments in the areas of stock markets, consumer interest etc.

2.6.1 Hindi News Channels: National Hindi news genre is the biggest stakeholder of the
news channel market in India. However during the last year, they saw a downfall in their
combined market share. According to TAM, during 2012 the market share of Hindi News
channels has gone down to 3.03% of total TV viewership from 3.82% in 2011. Still,
much of the trends of news channel market in decided and carried forward by the top
couple of channels in the market which are competing with each other on a common
platform. According to TAM weekly data and industry experts, there are 11 news
channels of national market appeal in Hindi. Although, for over a decade TV Today
Networks’s Aaj Tak has by and large been the undisputed market leader, it is closely
followed by channels like Zee News, India TV and ABP News. The other important channels in the market are, NDTV India, IBN 7, News 24, Live India, Sahara Samay, DD News and Tez (another National Hindi news channel which claims to present daily news in a crisper format)

**Graph 2.1 Relative Market Share of National Hindi News Channels:**
(Source: TAM weekly viewership data)

![Graph showing market share of national Hindi news channels]

### 2.6.2 English News Channels:

Although as per total viewership, English news channel market is a fairly small one (less than 0.5%) of total news viewership, it is considered to be very important because of general market perception that English news is watched by high income families and decision makers of the society. The first 24 hour English news channel was launched in 2003 by Prannoy Roy’s NDTV group called NDTV 24x7 closely followed by TV Today Network’s Headlines Today in 2004. While CNN-IBN came in 2006, Times Group finally made its entry in TV news genre in 2009 through Times Now. Another national English news channel is News X which was launched in 2008. Two international channels BBC News and CNN International are also competing in this niche market.
2.6.3 Business News Channels: Under the umbrella of news and current affairs, the genre of business is the only niche one which has managed to develop a market of its own. Although the first business news channel in India, CNBC TV 18, was launched in 1998, almost simultaneously with the first general news channels, it remained the only one present in the market for 4-5 years before Zee Group came up with its Hindi business channel Zee Business in 2004. A year later in 2005 TV18 group also launched a consumer centric Hindi Business news channel “Aawaaz” while NDTV group launched NDTV Profit. The last two entrants in the market are ‘UTV Bloomberg’ and Times Group’s ‘ET Now’. With a total of 6 channels, the viewership share of business channels, as expected, is less than half a percent of the total TV market. However, being a niche genre, it has a well committed audience base and interested advertisers, which mostly are a source of their content creation as well.
2.6.4 Regional News Channels: Following a path of robust regional film industries, which have been running successfully for decades along with the Hindi film industry, the regional news channel business was also initiated in south Indian states and their successful stint was followed by regional channels in other part of the country as well. Among the early private satellite ventures in the country was Asianet, promoted by ex-journalist K.Sasikumar, which aired general entertainment programs in Malayalam targeting audience in Kerala along with the Malayali diaspora around the world. Two biggest names in Regional news channel industry are Sun Network and ETV network.

While, Sun network has a presence in all south Indian languages, it’s news channels broadcast in three languages. Sun News (Tamil), Gemini News (Malayalam) and Udaya News (Kannada). The other major network from South India is ETV from Eenadu group in Andhra Pradesh. Although the group has first started with a Telugu channel it soon
spread wings in several North Indian languages and today offers a host of language channels from Bengali to Oriya and Gujarati apart from 4 Hindi regional channels for Hindi speaking states. Although, ETV channels are not full time news and current affair channels. They offer entertainment along with news. The group was bought over by the TV18 group. Another major player in Regional news is Sahara Samay which boasts of 36 city specific news channels apart from a national news channel. Mahuua News is another major regional news group which is operating in regional market mainly targeting Bhojpuri speaking population of Bihar, Jharkhand and Eastern UP apart from huge clusters of such populations settled in Delhi, Mumbai and some industrial cities even in Gujarat.

Regional news channels might not make very significant market in terms of numbers but have good potential in terms of growth especially with the Indian diaspora abroad. Low operating and overhead costs also make them profitable ventures even though the figures are not as significant as compared to the national channels. In terms of advertisement, because of the rock bottom rates and local appeal, these channels are giving tough competition to newspapers.

Most of the media houses today are operating more than one channel and have presence in more than one genre. TV today network has 4 News Channels, three national and one local. NDTV also has three national news channels, one each in Hindi, English and Business, apart from three licences for local news channel in Delhi, Mumbai and Kolkata in the name of MetroNation. Similarly, ABP group has one national and two regional channels. Regional networks have even bigger web of channels from 36 of Sahara to a total of 32 channels owned by the Sun Network. These networks are getting even bigger and mightier by merging with major national networks or expanding themselves in new territories. Asianet, the first regional language channel in India is now part of the Star network whereas ETV which has 12 regional channels has now been bought over by the Network 18 group.
2.7 MEDIA OWNERSHIP IN INDIA

The composition and status of Television news channel market in India cannot be analysed and judged in isolation. To understand its growth pattern and present structure, it is very important to know the overall media ownership in the country and its implications in shaping the industry today. There are some of trends which are predominant in the Indian media across all markets.

1. In media industries there is no such thing called a distinct print industry or television industry since most of the media outlets are turning into conglomerates owning and operating in more than one type of media products.
2. Several media companies are now part of even bigger conglomerates that are involved in a wide range of non-media business.
3. Increasingly new media ventures are joint efforts between two or more major media conglomerates resulting into a lot of cross media ownership and concentration in market.
4. A number of media companies apart from creating content are also getting involved into distribution of content which leads to vertical integration in the market.
5. India is probably one of the very few media markets where politicians and political parties are not only involved in content creation but also control the distribution of television signals to a very great extent.

Both the Ministry of Information and Broadcasting and adhoc regulator of Television Channels TRAI(Telecom Regulatory Authority of India, which was made the regulator of broadcast media in 2004 by the then NDA Government) have time to time expressed concern over Cross media ownership, vertical integration and involvement of political parties and individual politicians in news media. In 2008, I&B ministry asked TRAI to examine the matter in totality and submit recommendations to the Government in this regard. After following an exhaustive consultation with various stake holders of the industry, TRAI submitted its recommendations to the ministry in 2009. The same year, as part of TRAI’s recommendations, the ministry sponsored a study through the Administrative Staff College of India (ASCI) to look into the extent and nature of cross
media ownership, existing regulatory framework and relevant markets and international framework. ASCI submitted its report the very same year.

Some key elements of the recommendations by ASCI regarding Media Ownership in the country after studying the ownership patterns in the country in 2009 are as follows:-

1. Cross Media ownership rules for broadcasting, print and the new media must be put in place since there is ample evidence of market dominance in certain relevant markets.
2. As regards vertical integration, a cap on vertical holdings must be carefully determined based on existing market conditions.
3. Disclosure regarding cross media affiliations and ownership should be in public domain.
4. There should be a regulatory oversight on carriers so as to ensure non-discriminatory access.

However, there are still no cross media ownership restrictions across Print, Television and Radio industries in the country. As far as vertical integration of media entities in Broadcasting sector is concerned; certain restrictions have been put in place in
The guidelines for obtaining license for Direct-to-Home (DTH) platform and in
The Head-end in the sky (HITS) policy wherein a DTH service provider cannot have more than 20% stake in a HITS service provider.

In May 2012, the I&B Ministry once again requested TRAI to relook into the issue of vertical integration in the broadcasting and TV distribution sector and cross media holdings across the TV, Print & Radio sectors. TRAI was also requested to suggest measures that can be put to address vertical integration in order to ensure fair growth of the broadcasting sector. Further, TRAI has been requested to suggest measures with respect to cross media ownerships with an objective to ensure plurality of news and views and availability of quality services at reasonable prices to the consumers. At the time of writing of this chapter, TRAI has yet again come up with the consultation paper with a
request for comment and suggestions from industry stakeholders. The consultation paper is available on TRAI website. Clearly, even after four years and several rounds of studies, consultations and recommendations, the laws related to cross media ownership and vertical integration in media by and large remain the same. In its letter to TRAI the Ministry of Information and Broadcasting had categorically expressed concern on involvement of political parties and politicians and big corporate in news media. The letter speaks the following,

“There is an increasing trend of influence of political parties/politicians in the media sector. Political parties either directly or indirectly through surrogates control newspapers, TV channels and TV distribution systems. Such TV channels and newspapers would, obviously, promote the leaders and propagate the agenda of these political parties. This tendency is more prevalent in regional markets. There are TV channels directly or indirectly named after political leaders/parties. In the cable TV distribution space, there are complaints that entities backed by political parties are either taking over operations of other cable TV operators or driving them out of business using other means, thereby virtually extending their monopoly in the entire region. In such a situation, the broadcasters are at the mercy of these politically backed entities for distribution of their channels in that region. Such entities may practically throttle content selectively to suit their own agenda as well as fetter competition in the market, depriving consumers of the benefits of effective competition. A number of corporate sector entities are entering the media sector. Corporates can use media to bias views and influence policy making in a manner so as to promote their vested interests while generating business revenues for themselves. This has led to emergence of large media conglomerates where single entities/groups have strong presence across different media segments.”

The letter further views, “The inherent conflict of interest which arises from uncontrolled ownership in the media sector gives rise to manifestations such as (i) paid news (ii) corporate and political lobbying by popular television channels (iii) propagation of biased analysis and forecasts both in the political arena as well as in the corporate sector (iv) Irresponsible reporting to create sensationalism. These are even more lethal where the ownership/control rests with entities which have both business and political interests. Such ownership/control is not uncommon in the country.” (TRAI, 2013)
Many international markets have identified the parameters that define the level of concentration in media ownership and cross media holdings. These parameters are reviewed periodically and the restrictions/ safeguards are modulated accordingly. In 2012 the Information and Broadcasting ministry in a letter to TRAI made several observations related to ownership pattern in the broadcast industry. The letter said, “In the present emerging scenario more and more broadcasting companies owning television channels are venturing into various distribution platforms, namely cable TV distribution, DTH and IPTV etc. Similarly many companies owning distribution platforms are entering into television broadcasting. This type of vertical integration can seriously effect completion and promote monopolistic practices. Therefore there is a need to address such vertical integration in order to ensure fair growth of the broadcasting sector. In other scenario companies have controls/ownerships across Print, TV and Radio leading to horizontal integration. At present there is no restriction for a company to have ownership across Radio, Television and Print mediums. Such a situation may prevent plurality of news and views and views, and, in turn, may have several implications including ensuring quality services at reasonable prices.” (ibid)

In the meantime, cross media ownership and involvement of corporate houses and politicians in content creation and distribution has rather increased. According to FICCI KPMG media report 2013, (during 2012-13) “Consolidation has been the key theme for transactions in this (television sector). Consolidation has been a key theme for transactions in the sector, with national players looking to scale up presence in regional markets, and regional players looking to capture their local markets. The television broadcasting space witnessed significant deal activity, the most notable being Aditya Birla Group’s acquisition of a 27.5 percent stake in Living Media India Limited, a majority shareholder of TV Today Network Limited. Major broadcasters, in their quest to become true national networks, are shifting their focus towards regional growth by launching / acquiring new channels and developing localized content in order to develop broader portfolios. Notable acquisitions in the regional space include Eenadu TV and Vissa Television Network, both Telugu, being acquired by Network 18 Media and Investments and Raj Television respectively.” (FICCI KPMG Media report, 2013)
Even in near future, it would be interesting to see if there is enough political willingness and resolve to control monopoly, biases in coverage and political ownership of media units. Nonetheless the report and suggestions of ASCI and thereafter the consultation paper by TRAI, which is now available in public domain, provides significant details on the extent of cross media and vertical ownership in media industries, its implication on the business environment of media industries and the possible threats it brings to the plurality and balance coverage (especially in case of news and current affairs) and cost and quality of content. These reports are also rich in terms of the in-depth comparative analysis of market conditions and laws and ownership restrictions in several other major media economies as well.

Apart from explaining qualities of media as a unique industry, this chapter takes into account various aspects of the television news industry in India. These include evolution and growth of television in India and its transformation from a mass communication technology to a fiercely competitive market. It also tries to explain different categories of television news market, their market shares, regulatory bodies and trends prevailing in the market. Issues related to media ownership in the last section of the chapter help understand their implication on the business environment in the country. The next two chapters will attempt to explain various aspects related to two main sources of revenue for media industries advertisement and subscription respectively and their relative importance for news channels in particular.