

COUNTER COMMENTS FROM BENNETT, COLEMAN & COMPANY LIMITED (BCCL) DATED 29.04.13:

BCCL's Submissions and counter-comments are subject to and without prejudice to the preliminary submission that the *TRAI Act has no coverage for matters in relation to the print media.*

We have perused the submissions made by varied persons on the Consultation Paper (CP) dated 15th February, 2013 on "Issues Relating to Media Ownership" and our [counter-comments](#) (which are in addition to our Submissions to CP date 22.04.13) are as below.

We disagree with the following Statements:

1. Submissions of Mr. Alam Srinivas:

In answer to Q. 3 of CP: "Therefore, in the case of vertical or horizontal integration involving FDI, indirect equity holdings must be considered and carefully computed. Irrespective whether the stipulated cap is 20% or 74%, there should be clear safeguards on to prevent circuitous investment, especially through subsidiaries and/or investment arms of Indian news media companies registered in tax havens."

The above and other statements made by Mr. Alam Srinivas are focused on ways in which direct / indirect control is exercised on companies in India. These statements are not relevant to the questions raised in the CP and may be discussed in another appropriate discussion forum.

2. Submissions of Citizens Forum for Civil Liberties:

In answer to Q. 3 of CP: "A restriction on equity holding of 20% will be in public interest."

In answer to Q. 6 of CP: "All"

In answer to Q. 26 of CP: "Yes. Additional restrictions need to be applied for M&A in media sector for external pluralism."

In answer to Q. 28 of CP: "Vertical concentration in two or more links of the media value chain should not be allowed. There is need to pay attention to diagonal concentration wherein a publisher or a broadcaster enters into other media types in addition to its usual operations; for instance a publisher that becomes active in a radio or television station in addition to a daily paper."

For Other Issues: "Integration of print and electronic media is not a healthy phenomenon. There should be an absolute ban on integration."

The statements of Citizens Forum for Civil Liberties are general assertions, and are not supported by any factual details and therefore do not seem to provide any economic evaluation of the subject at hand.

3. Submissions of Delhi Distribution Co.:

Page 1, Para 3: “Sir, to end this type of ghostly practise adopted by these monopolistic corporates firstly we should break/bifurcate the whole system in small segments/pieces. In future Whoever try to convert these smaller segments under one umbrella to create a single entity which results in vertical, horizontal or or any other kind of monopoly should be restricted & dealt with as per the respective law. The Govt. should treat these practices especially in media & broadcasting as a criminal offence as this results in abolition of plurality from the society which is the basis essence of our constitution.” (Sic)

The statement from Delhi Distribution Co. is based on a wrong understanding of the facts. Most statements by Delhi Distribution Co. are beyond the scope of CP and are irrelevant for the current discussion.

4. Submissions of Delhi Union of Journalists:

Page 2, Para 3: “It is vital for democracy to have more plurality of opinion in media. This required the dismantling of existing monopolies and cross-media empires and a check on the growing concentration of media ownership.”

Page 3, Para 3: “The DUJ, is concerned at the extreme dependence of the print media on advertising expenditure and also worried that in the bid to earn patronage of powerful corporate and political players who deploy large monies of advertising, the print media may be losing sight of its basic ethos of speaking truth to power and informing the general public.”

Page 4, Para 3: “Concentration in the media industry is an ever growing reality. We are probably heading towards a situation of media monopoly. This has to be viewed from a broad public interest point of view. And the contribution made by the persistent default in policy, which has resulted in an absolute vacuum of media regulatory systems, is to be noted.”

To the extent the submissions of Delhi Union of Journalists are relevant; please refer to the BCCL Comments on Q. 1 and Q. 2 of CP in its Submissions dated April 22, 2013.

5. Submissions of VOICE:

In answer to Q. 3 of CP: “Equity holding limit should be 10%. A distributed control is preferable. Secondly in a Public Limited company with a well diversified share holding by public even 20% may become a largest single) controlling interest.”

For Other Issues: “1. Ownership of News and Current affair channels should be clubbed with Printed Newspapers so there should be individuals identified as Publisher and Editor for News and Current affair channels who can be held responsible for behavior and content of the News channel as per recent Supreme Court judgment [Gambhirsinh R. Dekare v. Falgunbhai Chimanbhai Patel & Anr. (Criminal Appeal No. 433/2013)].

2. No business house should have more than 10% interest directly or indirectly in a media company.

3. No entity can have licenses for more than 2 mediums (print, broadcasting, radio, internet based media).
4. Dominance shall be controlled while issuing licenses as well as at the time of M & A.
5. Print Newspapers as well as News and Current affair channels should not use the same trade name for other business activities which will influence/confuse the general public like Times group or Anad Bazar Patrika (ABP) etc.
6. There should be mechanism devised to find out the advertisement rates received by different channels on a quarterly basis to ascertain whether these rates are line / correlation with the popularity of that channel.” (Sic)

Above statement 1 is beyond the scope of CP and is irrelevant for the current discussion. Also, this statement is entirely unconnected with the reference to the Hon’ble Supreme Court. Please note that in this case, the Hon’ble Court opined only in relation to responsibilities of Editor of a newspaper with reference to the Press and Registration of Books Act, 1867.

All other statements from VOICE are bald assertions, and are not supported by any factual details and therefore do not seem to provide any economic evaluation of the subject at hand.

6. Submissions of Zee Network

In answer to Q. 6 of CP: “Zee would like to suggest that the following media types be considered for ensuring Plurality:

- (i) Print Media - vis-à-vis Terrestrial Television (as & when terrestrial transmission is opened for private players.)
- (ii) Print Media -Via-Vis Radio Stations but only after News and current Affairs are permitted on Radio. Till then the current provisions of 15% of total radio frequencies should continue to apply....”

The above statements are in relation to a matter which is not in TRAI’s jurisdiction and hence are irrelevant for the current discussion. These arguments may be taken up in another appropriate discussion forum.

We agree and support submissions made in relation with potential of social media:

It has also been stated in many submissions that “*dominance*” by any media segment has lost its meaning - as people, public institutions and corporates themselves are increasingly taking up the role of disseminating news through the social media. The notion of citizen journalist is gaining popularity increasingly.

In an earlier report titled ‘Social Media in India 2012’ published by the IAMAI in association with the research agency IMRB, a few things are established: One, as of June 2013, we have an estimated 89 million people (up from 84 million in December 2012) who are active users of the Internet. At least 66 million of them are users of social media, and this too is up from 62 million in December 2012. They make up about 40 percent of all claimed Internet users.

Taking a cue from the public interest generated by social media websites, the Finance Ministry, the Planning Commission, RBI and many other Government authorities have started disseminating news and updates through social media websites. An example of such use is MIB's Facebook account called *digitalIndiaMIB* which facilitates exchange of information, provides clarifications and invokes a wider canvass for public participation.

Another illustration of such use is the recent first ever *live Twitter press conference* hosted by MIB, in which the MIB Secretary and all Joint Secretaries were on Twitter, relating to questions on policy for community radio and measures to popularise it.

We hereby make particular references from submissions of different persons, wherein contentions are similar or supportive to that of BCCL and would require specific consideration:

1. Submission of BAG Network:

- Page 4, Paras 7 to 10.
- Pages 6 - 7, Response to Q. 4.
- Page 8, Response to Q. 8.
- Page 14, Response to Q. 27.

2. Submissions of CASBAA:

- Page 3 - 4, Submission (I)(A).
- Page 5, Submission (I)(C).

3. Submissions of Centre for Communication Governance:

- Page 1, Point 2, Para 1.

4. Submissions of Discovery Communications India:

- Page 3 Last Para, contd. to page 4.
- Page 5, Second Para.
- Page 8, Last Para.

5. Submissions of ESPN Software:

- Page 2 -3, Response to Q. 4.
- Page 3, Response to Q. 5.
- Page 5, Response to Q. 8.
- Page 8, Response to Q. 18.

6. Submissions of FICCI:

- Pages 1 to 3.

7. Submissions of IAMAI:

- Page 1, Paras 1 to 4.
- Pages 2 – 3, Paras 8 and 9.

8. Submissions of Indian Newspaper Society:

- Pages 2 to 7.

9. Submissions of Malayala Manorama:

- Page 4, First Para.
- Page 4, Last Para.
- Page 12, First Para.
- Page 13, Last two Paras.

10. Submissions of Media content and Communications Services (India):

- Page 1, Last Para.
- Page 2, First Para

11. Submissions of Motion Picture Dist. Association:

- Page 3, Last Para.
- Page 4, Third Para.

12. Submissions of Network18:

- Page 1, Response to Q. 3.
- Page 2, Responses to Q. 5-6.
- Pages 5 – 6, Responses to Q. 19-20.

13. Submissions of Odisha Television:

- Page 2, Second Para of Response to Q.3.

14. Submissions of Mr. R.L. Saravanan:

- Pages 3, 4 and 5.

15. Submissions of Reliance:

- Page 1, Para 3.
- Page 2, Para 6.

- Page 4, Para 8.

16. Submissions of Star India:

- Page 4, Point 3.
- Page 5, Point 4(b). Point 5.

17. Submissions of Tata Sky:

- Page 3, Para 2 (Response to Q. 3).
- Page 4, Para 4 (Response to Q. 4).
- Page 6, Para 2 (Response to Q. 8).
- Page 7, Para 3 (Response to Q. 11).
- Page 8, Para 2 (Response to Q. 15).

18. Submission of TV Today Network:

- Page 1, First and Second Paras.

19. Submissions of Zee Network:

- Pages 2, 3, 7 and 8.