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## **Press Council of India**

### **Report on Paid News**

Dated: 30/07/2010

The phenomenon of “paid news” has acquired serious dimensions. Today it goes beyond the corruption of individual journalists and media companies and has become pervasive, structured and highly organized. In the process, it is undermining democracy in India. This has anguished the leading sections of the society, including political leaders, thinkers, journalists and media owners. They all have expressed their unhappiness and concern about the pernicious influence of such malpractices.

Several veteran journalists, including the late Shri Prabhash Joshi, Shri Ajit Bhattacharjea, Shri B.G. Verghese and Shri Kuldip Nayar, wanted the Press Council of India to apply its mind on the issue and come up with suggestions on how the phenomenon of “paid news” could be curbed. Various journalists’ associations, including the Andhra Pradesh Union of Working Journalists and the Delhi Union of Journalists have examined the phenomenon, conducted surveys and organized discussions on the topic. The Editors’ Guild of India also discussed the phenomenon and expressed concern at this growing tendency. On June 8, 2010, the Election Commission of India issued detailed guidelines to Chief Electoral Officers of all states and Union territories on measures to check “paid news” before elections, that is, advertising in the garb of news.

The phenomenon of “political paid news” became particularly noticeable during the 2009 general elections and thereafter during the elections to the assemblies of various states. The phenomenon acquired a new and even more destructive dimension by redefining political “news” or “reporting” on candidates standing for election – many such “news reports” would be published or broadcast perhaps only after financial transactions had taken place, almost always in a clandestine manner. It is widely believed that many media companies, irrespective of the volume of their businesses and their profitability, were “selling” news space after arriving at an “understanding” with politicians and representatives of corporate entities that were advertisers. Space in publications and airtime were occupied by advertisements that were disguised as “news”.



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News is meant to be objective, fair and neutral – this is what sets apart such information and opinion from advertisements that are paid for by corporate entities, governments, organizations or individuals. What happens when the distinction between news and advertisements start blurring, when advertisements double up as news that have been paid for, or when “news” is published in favour of a particular politician by selling editorial spaces?

In such situations, a section of the reader or the viewer can hardly distinguish between news reports and advertisements/advertorials. Marketing executives use the services of journalists – willingly or otherwise – to gain access to political personalities. So-called “rate cards” or “packages” are distributed that often include “rates” for publication of “news” items that not merely praise particular candidates but also criticize their political opponents. Candidates who do not go along with such practices on the part of media organizations may be denied coverage. Sections of the media in India have willy-nilly become participants and players in such practices that contribute to the growing use of money power in politics which undermines democratic processes and norms – while hypocritically pretending to occupy a high moral ground. This has not merely undermined democracy in India but also tarnished the country’s reputation.

Identical articles with photographs and headlines have appeared in competing publications carrying by-lines of different authors around the same time. On the same page of specific newspapers, articles have been printed praising competing candidates claiming that both are likely to win the same elections. Nowhere is there any indication that the publication of such “news” reports has entailed financial transactions or has been sponsored by certain individuals or political parties. When confronted with circumstantial evidence that substantiate allegations of “paid news”, the standard reaction of individuals accused of corrupt practices is to pretend that nothing untoward has happened since the evidence is circumstantial in nature. The typical response of representatives of political parties as well as media organizations, is to flatly deny these allegations. In private, however, these very same people acknowledge that the cancer of “paid news” has spread deep into the country’s body politic and needs to be removed.



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Realising the dangers of “paid news” to democracy as well as the right to freedom of expression enshrined in Article 19 of the Constitution of India, on June 9, 2009, the Press Council of India appointed a Sub-Committee comprising Shri Paranjoy Guha Thakurta and Shri Kalimekolam Sreenivas Reddy “to examine the phenomenon of paid news observed during the last Lok Sabha elections...based on inputs received from the members and others.” The two members met a cross-section of society in New Delhi, Mumbai and Hyderabad and also went through many letters and representations that were sent to the Council.

The report of the Sub-Committee was discussed in detail by the Press Council in its two meetings held in Indore and New Delhi on 31 March, 2010 and 26 April, 2010 respectively. Members gave a number of suggestions and thereafter, the Press Council of India Chairman appointed a Drafting Committee to prepare a final report for the consideration of the Council. The Chairman appointed a 12-member Committee consisting: S/Shri H N Cama, Lalit Mangotra, U C Sharma, Y C Halan, K. Sreenivas Reddy, Kalyan Barooah, S. N. Sinha, Anil Jugal Kishore Agarwal, Kundan R L Vyas, Paranjoy Guha Thakurta, P Javadekar, and Keshava Rao.

The Drafting Committee considered the views expressed during various meetings of the Press Council and has drafted a report for the consideration of the Council.

## **Introduction**

**Paid News can be defined as “Any news or analysis appearing in any media (Print & Electronic) for a price in cash or kind as consideration”**

Paid news is a complex phenomenon and has acquired different forms over the last six decades. It ranges from accepting gifts on various occasions, foreign and domestic junkets, various monetary and non-monetary benefits, besides direct payment of money. Another form of paid news that has been brought to the notice of the Press Council of India by the Securities and Exchange Board of India (SEBI) is in the form of “private treaties” between media companies and corporate entities. Private treaty is a formal agreement between the media company and another non-media company in which the latter transfers certain shares of the company to the former in lieu of advertisement space and favourably coverage.



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Since the phenomenon of paid news is old, complex and deep rooted in the system and seems to be spreading its cancerous roots rapidly as observed after the 2009 elections, the Drafting Committee feels that the Press Council of India should initially focus only on the paid news observed during the last Lok Sabha elections (2009). This decision stems from the decision of the Press Council as conveyed by the Secretary to the Council members.

### **Election-time paid news**

The election-time paid news phenomenon has three dimensions. One, the reader or the viewer does not get a correct picture of the personality or performance of the candidate in whose favour or against he decides to cast his vote. This destroys the very essence of the democracy. Two, contesting candidates perhaps do not show it in their election expense account thereby violating the Conduct of Election Rules, 1961 framed by the Election Commission of India under the Representation of the People Act, 1951. Third, those newspapers and television channels which received money in cash but did not disclose it in their official statements of accounts, have violated the Companies Act 1956 as well as the Income Tax Act 1961 besides other laws.

The payment and receipt of election-time paid news is a clandestine operation and has become widespread and organised as advertising agencies, public relations firms, politicians, journalists, managers and owners of some media companies are believed to be involved in it. It, therefore, is not easy to find clinching evidence that pins responsibility on individuals, parties and organisations. However, a number of persons including members of the Sub-Committee setup by the Council have collected a large volume of circumstantial evidence that is with the Press Council, which indicates that monetary consideration was exchanged for favourable coverage, reporting and telecasting.

### **Separating Management from Editorial**

Going through the observations of persons with whom the Sub-Committee interacted and the evidence provided by them and the discussions in the Press Council it is felt that



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election-time paid news deals are done between the candidates or political parties or their agents and media. It was felt that there should be a clear distinction drawn between the managements and editorial staff in media companies and that the independence of the editor should be maintained and safeguarded.

### **Role of Press Council**

The Press Council of India was set up by Parliament as a statutory, quasi judicial body “for the purpose of preserving the freedom of the Press and of maintaining and improving the standards of newspapers and news agencies in India.” However, it has been entrusted with only limited powers to admonish, reprimand and pass strictures. It cannot penalise the errant or those found guilty of malpractices. Besides, the Council’s mandate does not extend beyond the print medium. A proposal to amend Section 15(4) of the Press Council Act, 1978, to make the directions of the Council binding has been pending for a long time. It should be taken up on a priority basis.

### **Representation of the People Act, 1951**

The Union and state elections are regulated by the provisions of the Representation of the People Act, 1951. The main purpose of this Act is to ensure free and fair elections in the country. Therefore, since election-time “paid news” undermines free and fair elections, it is recommended that Section 123 of the Representation of the People Act, 1951, should be suitably amended so as to declare any payment for the publication of news as a corrupt practice or an “electoral malpractice” and should be made a punishable offence.

### **Press Council of India**

The Press Council of India should constitute a body of media professionals with wide representation at the national/state/district levels to investigate either *suo moto* or on receipt of complaints of instances of “paid news” and the recommendations of such a body – after going through an appellate mechanism -- should be binding on the Election Commission of India and other government authorities.



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**The guidelines of the Press Council of India that news should be clearly demarcated from advertisements by printing disclaimers, should be strictly enforced by all publications. As far as news is concerned, it must always carry a credit line and should be set in a typeface that would distinguish it from advertisements. The guidelines of the Council, as decided in 1996, are reproduced hereunder and efforts should be made to ensure that these are followed by all media organizations.**

*i) General Election is a very important feature of our democracy and it is imperative that the media transmits to the electorate fair and objective reports of the election campaign by the contesting parties. Freedom of the Press depends to a large measure on the Press itself behaving with a sense of responsibility. It is, therefore, necessary to ensure that the media adheres to this principle of fair and objective reporting of the election campaign.*

*The Press Council has, therefore, formulated the following guidelines to the media for observance during elections:*

- 1. It will be the duty of the Press to give objective reports about elections and the candidates. The newspapers are not expected to indulge in unhealthy election campaigns, exaggerated reports about any candidate/party or incident during the elections. In practice, two or three closely contesting candidates attract all the media attention. While reporting on the actual campaign, a newspaper may not leave out any important point raised by a candidate and make an attack on his or her opponent.*
- 2. Election campaign along communal or caste lines is banned under the election rules. Hence, the Press should eschew reports which tend to promote feelings of enmity or hatred between people on the ground of religion, race, caste, community or language.*
- 3. The Press should refrain from publishing false or critical statements in regard to the personal character and conduct of any candidate or in relation to the candidature or withdrawal of any candidate or his candidature, to prejudice the*



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*prospects of that candidate in the elections. The Press shall not publish unverified allegations against any candidate/party.*

*4. The Press shall not accept any kind of inducement, financial or otherwise, to project a candidate/party. It shall not accept hospitality or other facilities offered to them by or on behalf of any candidate/party.*

*5. The Press is not expected to indulge in canvassing of a particular candidate/party. If it does, it shall allow the right of reply to the other candidate/party.*

*6. The Press shall not accept/publish any advertisement at the cost of public exchequer regarding achievements of a party/government in power.*

*7. The Press shall observe all the directions/orders/instructions of the Election Commission/Returning Officers or Chief Electoral Officer issued from time to time.*

*ii) Guidelines on 'Pre-poll' and 'Exit-polls' Survey-1996*

*The Press Council of India having considered the question of desirability or otherwise of publication of findings of pre-poll surveys and the purpose served by them, is of the view that the newspapers should not allow their forum to be used for distortions and manipulations of the elections and should not allow themselves to be exploited by the interested parties.*

*1 The Press Council, therefore, advises that in view of the crucial position occupied by the electoral process in a representative democracy like ours, the media should be on guard against their precious forum being used for distortions and manipulations of the elections. This has become necessary to emphasize today since the print media is sought to be increasingly exploited by the interested individuals and groups to misguide and mislead the unwary voters by subtle and not so subtle propaganda on casteist, religious and ethnic basis as well as by the use of sophisticated means like the alleged pre-poll surveys. While the communal and seditious propaganda is not difficult to detect in many cases, the interested use of the pre-poll survey, sometimes deliberately planted is not so*



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*easy to uncover. The Press Council therefore, suggests that whenever the newspapers publish pre-poll surveys, they should take care to preface them conspicuously by indicating the institutions which have carried such surveys, the individuals and organisations which have commissioned the surveys, the size and nature of sample selected, the method of selection of the sample for the findings and the possible margin of error in the findings.*

*2. Further in the event of staggered poll dates, the media is seen to carry exit-poll surveys of the polls already held. This is likely to influence the voters where the polling is yet to commence. With a view to ensure that the electoral process is kept pure and the voters' minds are not influenced by any external factors, it is necessary that the media does not publish the exit-poll surveys till the last poll is held.*

*3. The Press Council, therefore, requests the Press to abide by the following guideline in respect of the exit polls:*

**Guideline:**

*No newspaper shall publish exit-poll surveys, however, genuine they may be, till the last of the polls is over.*

**Election Commission of India**

The Election Commission of India should set up a special cell to receive complaints about “paid news” in the run-up to the conduct of elections and initiate a process through which expeditious action could be taken on the basis of such complaints. The Election Commission of India should nominate independent journalists/citizens in consultation with the Press Council of India who would accompany the election observers deputed by the Election Commission of India to various states and districts. These nominated journalists/citizens could report on instances of “paid news” to the Press Council of India and the Election Commission of India.

**Self-regulation**



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Self-regulation is the best option to check the “paid news” phenomenon. However, self-regulation only offers partial solutions to the problem since there would always be offenders who would refuse to abide by voluntary codes of conduct and ethical norms that are not legally mandated.

There should be a debate among all concerned stakeholders on whether a directive of the Supreme Court of India that enjoins television channels to stop broadcasting campaign-related information on candidates and political parties 48 hours before elections take place can and should be extended to the print medium since such a restriction does not apply to this section of the media at present.

### **Education**

The Council suggests that efforts should be made to educate the voters to differentiate between the doctored reporting and the balanced and just reporting. This can be done by the Ministry of Information and Broadcasting with the help of Press Council of India and various associations of journalists and newspaper owners. Local press clubs should also be associated with the conduct of seminars and workshops in different cities to educate readers and viewers. The Press Council of India, representative of political parties, associations of newspaper owners, television broadcasters and journalists unions and associations can provide resource-persons for such seminars and workshops. The process of educating voters and citizens should begin before elections take place, soon after the dates of elections are announced.

### **I & B Ministry**

The Union Information & Broadcasting Ministry should conduct national conferences, workshops, seminars and awareness-generating campaigns involving, among others, the Press Council of India, the Election Commission of India, representatives of editors, journalists associations and unions, political parties and media owners to deliberate on the issue and arrive at workable solutions to curb the “paid news” phenomenon in particular.



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The Union I&B Minister should hold separate meetings with national associations of newspaper owners, editors and journalists to discuss the “paid news” phenomenon and how it should be curbed. A meeting of all political parties should also be organised to make them understand that if the phenomenon of “paid news” is not checked no political party would benefit. Similarly owners of media companies should be made to understand that money illegally obtained for “paid news” is not just myopic but would eventually lead to loss of credibility among readers and viewers and would, hence, be detrimental to the interests of the media.

### **Parliament**

A small committee of Members of Parliament from both Houses should hold a hearing for suggesting changes in Representation of the People Act, 1951, to prevent the practice of paying for news coverage in newspapers and television channels and declaring it as an “electoral malpractice” or an act of corruption and be made a punishable offence.

All these initiatives, if sincerely implemented, may not entirely stop such malpractices in the Indian media but could reduce their incidence to a considerable extent.

### **Recommendations**

It is recommended that recommendations as under should be implemented by the Government.

- 1) Representation of the People Act 1951 be amended to make incidence of paid news a punishable electoral malpractice,
- 2) The Press Council of India must be fully empowered to adjudicate the complaints of “paid news” and give final judgement in the matter.
- 3) Press Council Act be amended to make its recommendations binding and electronic media be brought under its purview, and



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- 4) Press Council of India should be reconstituted to include representatives from electronic and other media.

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Footnote:-

The Council decided that the report of the Sub-Committee may remain on record of the Council as reference document. It also decided that the issue of strengthening the Working Journalists Act be taken up separately.