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### Press Release

#### Guidelines concerning mandatory disclosure by the media of its stake in corporate sector

The Press Council under the chairmanship of Mr. Justice G.N. Ray while considering the reference from Securities & Exchange Board of India (SEBI) regarding Private Treaties by Media Companies in its meeting held on 22.2.2010 accepted the following suggestions of SEBI -

1. Disclosures regarding stake held by the media company may be made mandatory in the news report/article/editorial in newspapers/television relating to the company in which the media group hold such stake.
2. Disclosure on percentage of stake held by media groups in various companies under such 'Private Treaties' on the website of media groups may be made mandatory.
3. Any other disclosures relating to such agreements such as any nominee of the media group on the Board of Directors of the company, any management control or other details, which may be required to be disclosed and which may be a potential conflict of interest for media group, may also be made mandatory.

The Securities and Exchange Board of India had expressed its concern that many media groups are entering into agreements, called 'Private Treaties', with companies which are listed or coming out with a public offer, for stake in the company and in return providing media coverage through advertisements, news reports, editorials etc. which helps to promote and build 'brand' of the company through print or electronic media, in exchange media groups get shares of the company. It apprehended that such agreements may not only give rise to conflict of interest but result in dilution of the independence of press vis-à-vis the nature and contents of the news/editorials relating to such companies. This will result into biased news, imbalance reporting, inaccurate perceptions of the companies, and may lead to commercialization of news reports. Such brand building strategies of media groups, without appropriate and adequate disclosures may not be in the interest of investors and financial markets.

The above suggestions may be kept in mind by the media.