

Course Project - MBA617A

NDTV's monopoly and Downfall : A Chronological study

Group 9

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Introduction

NDTV's Ravish Kumar, who has been named for the prestigious Ramon Magsaysay Award for "harnessing journalism to give voice to the voiceless" and his "unflinching commitment to a professional, ethical journalism of the highest standards", speaks about the kind of journalism he practices and his coverage of Prime Minister Narendra Modi. "I am not anti-Modi, Modi is anti-Ravish. The BJP has boycotted my show. They do not appear on my show. So tell me how am I anti-BJP ?" says Ravish Kumar. "Before 2014, many senior BJP leaders themselves used to call me saying they wanted to be interviewed. But suddenly what happened? They knew that I used to put hard hitting questions to the previous government also," he says.

NDTV is one of the leaders in the production and broadcasting of un-biased and comprehensive news and entertainment programmes in India and abroad. NDTV delivers reliable information across all platforms: TV, Internet and Mobile.

Now NDTV is being overtaken by ADANI group which have close relations with PM narendra modi or say BJP , so we are analyzing the issue.

How adani took over NDTV

In 2008 NDTV took an interest free loan of 403cr. from VCPL which was owned by ambani, in exchange of a warrant that allowed VCPL to stake 29.18% in NDTV ,triggering an open offer. When any person or corporate take more than 25% stake they can trigger open offer which means according to sebi rules an open offer is made by the acquirer in this case AGM or the Adani group to shareholders of the target company which in case is NDT so adani invited any TV shareholders to sell their shares at rupees 294 per share what happens with an open offer is it provides an exit option to the existing shareholders of the target company on account of a change in control or an acquisition an open offer can be triggered if the acquire a holds more than 25 shares in the company there.

Now in aug,2022 adani group acquired 100% stake in VCPL and thus got 29.18% stake in NDTV and declared open offer and finally have 64.7% stake in NDTV.

The focus of the Study

Due to the recent 29% stakes takeover by Adani Group in the NDTV shares, the media group caught a lot of attention, despite not being one of the highest-rated TRP news channels.

Our study is about the same, trying to find out why NDTV is so popular despite being below in TRP ratings, what's in it's history that made it so popular, how to rise to pillars of success and finally receiving the current downfall since the last decade.

Methodology used for collecting data:

1. What was the reason why NDTV was so popular up until the recession period?
2. What strategies NDTV used to had a monopoly over TV news in the 1990s?

3. The shareholding pattern and corporate deals that NDTV has gone through in the course of time.
4. We listen to all media both negative and positive arguments and more importantly we read more than listening to media houses as most media houses are owned by corporations they somehow became biased and many times don't show important information.

Problems faced during the course of the study :

1. When searching information on the topic, we were getting only repetitive and headline catching news rather than the information we could actually use.
2. There was a bias in most of the news sources we got, either left or right.
3. Most Media houses don't show both sides of information and also they don't give proper information as one analysis.
4. Media houses has started acting like corporated , they only run behind TRP and profit so what happens most often that they only show hot topic and hype them and dont show these type of analysis news which are more important.

Learnings :

- NDTV is also a business , it has to earn profit while maintaining that journalism integrity . But as long as its business there needs to be transparency and accountability .

- This kind of incident is also a cause of When we put profit in front and put humanity and people at the backseat .
- From this project, it is clear that media organizations face complex challenges that require careful balancing of commercial interests and journalistic integrity. It is also important to recognize the impact of the media on public opinion and the potential consequences of biased reporting.

ANALYSIS


The rise:

In order to develop content for the channel Star Plus, NDTV recruited a foreign investor and entered into a partnership with Rupert Murdoch's Star network. A five-year agreement was reached between NDTV and Star two years later to create and operate the 24-hour news channel Star News. It was opened in February 1998 by Inder Kumar Gujral, who was India's prime minister at the time and just before a national election.

NDTV took a big leap because of this and set up its monopoly by also bringing some eye-catching steps like 24/7 news, election coverage etc.

NDTV had an advantage over other channels like Aaj Tak and Zed thanks to Star's funding. It made it possible for them to invest in better machinery, create eye-catching visuals, and—most importantly—employ the top journalists. Many of the journalists who later became the foundation of NDTV were already on the Roys' team, including Sonia Verma (now Sonia Singh), Vikram Chandra, Barkha Dutt, Rajdeep Sardesai, Sreenivasan Jain, Vishnu Som, and Maya Mirchandani.

Private ownership [edit]

 This list is [incomplete](#); you can help by [adding missing items](#). *(September 2021)*

Family	Individuals (Past and present)	News media groups and news media outlets (Partial or complete ownership that may have changed over time)	Ref
Ambani	Mukesh Ambani	Network 18 Group	[2]
		Firstpost, CNN-News18, News18 India	
Agarwal	Ramesh Chandra Agarwal	Dainik Bhaskar Group	[3]
		Dainik Bhaskar	
Bahl	Raghav Bahl, Ritu Kapur	Quintillion Media Pvt Ltd	[4]
		The Quint	
Chopra	Vijay Kumar Chopra	The Hind Samachar Limited	[5]
		Punjab Kesari	
Darda	Rajendra Darda ^P , Vijay J. Darda ^P	Lokmat Media Group	[6][7]
		Lokmat	
Goenka	Ramnath Goenka, Viveck Goenka	Express Group	[8]
		The Indian Express, The Indian Express Online, The Financial Express, Jansatta, Loksatta, Lokprabha	
Gupta	Puran Chandra Gupta	Jagran Prakashan Limited	[9]
		Dainik Jagran	

SOURCE :WIKIPEDIA

Who owns media houses?

- News 18 is owned by Ambani.
- Raghav Ghal, who owns the quint
- Quint has been invested in by Mr. Gautam Adani already.

News / LATEST / Corporate / Gautam Adani's AMG Media Networks acquires 49% in Quintillion Business Media

[Feedback](#)

Gautam Adani's AMG Media Networks acquires 49% in Quintillion Business Media

The acquisition was for Rs 48 crore, according to a stock exchange filing by Adani Enterprises. The acquisition was originally announced in May last year.

- So in West also it is very common for every corporate to have their own media houses. Same thing is happening in India.
- Shareholding pattern of NDTV and you can see that it is controlled by Pranav Roy and Radhika Roy.
And who is Radika Roy related to?
So she is related to Brenda Karat, who is a political commentator.
She is a prominent politician in India and is the sister of Radikara.
Now there is another prominent stakeholder in NDTV, which is called Oswal GreenTech Limited which owns 14.15% of equity there.
Now it's a business house.
So of course a business house is already controlling NDTV.
So Adani owning NDTV is not a problem theoretically .
- But media houses often become biased after being owned by corporates which have political connections.
- Also, actual news is also delayed by the case of yes bank. The rich people already got to know about the downfall and made a profit, but common people lost their money.
- One more thing is that when Radhika and Prannoy sold their shares to RRPR at Rs 4 per share when the market price was more than Rs 130. Had they sold at the market price, This would, in turn, have attracted taxes in crores. This shows why our country ranked highest in tax evasion among Asian nations.
- They didn't tell the employees about this agreement with VCPL , so here is lack of transparency and accountability within organization which ultimately result in deterioration of company.

India Ranks High among Asian Nations in Corporate Tax Evasion

Some \$10 billion is attributed to corporate tax abuse annually, a new report says.



NDTV downfall

- The 2008 crisis played a big role in the downfall of which NDTV took a loan from Goldman Sachs and to pay that loan they turned for another loan to icici and then to VCPL which was owned by Reliance.
- VCPL gave RRPR interest free loan but they didnt informed their employee or rbi or sebi so there was a lack of transparency and accountability in the NDTV itself.
- Barkha Dutt, one of NDTV's best-known faces, received criticism in 2010 after recordings surfaced of her telling lobbyist Neera Radia that she would courier information between politicians.
- NDTV's managing editor, Rajdeep Sardesai, left to set up CNN-IBN with the entrepreneur Raghav Bahl.
- NDTV was accused of indulging in financial misdemeanors and malpractices in connivance with ICICI Bank. The company had pledged its shares as collateral for a loan, but the value of each pledged share was alleged to have been overstated.

Sources:

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