ANNALS OF COMMUNICATIONS

CITIZENS JAIN

Why India's newspaper industry is thriving.

BY KEN AULETTA

Samir and Vineet Jain. Their success is a product of an unorthodox philosophy.

ILLUSTRATION BY ALEX WILLIAMSON; PHOTOGRAPHS LEFT TO RIGHT: NARENDRA BISHT/THE INDIA TODAY GROUP/GETTY; SAPTARSHI BISWAS

The square that borders the Dadar Railway Station is the largest of sixty-five newspaper-delivery depots in Mumbai. At 4 A.M., forty trucks and vans packed with newspapers and magazines have parked and slid open their back doors; the trash-strewn streets are otherwise deserted, and the loudest noise comes from the cawing of crows. During the next few hours, two hundred and thirty-one thousand newspapers will be unloaded, half of them published by Bennett, Coleman & Company, Ltd., India's dominant media conglomerate. Venders cluster around the back of each truck, handing up wads of rupees to the driver in exchange for their daily stacks of newspapers and magazines. Afterward, with helpers, they sit on the sidewalk inserting supplements and sorting the stacks into neat bundles. Then they pass the bundles to deliverymen—there are some eighty-three hundred in Mumbai—who pack as many papers as they can onto motorbikes, rickshaws, bicycles, and shoulders, and set out to slip them one by one under or beside the doors of the city's residents.

India is one of the few places on earth where newspapers still thrive. In the United States in the past five years newspaper advertising revenues have plunged by fifty per cent, to twenty-four billion dollars, according to the Newspaper Association of America, and net-profit margins now average five per cent. In India, which has a population of a billion two hundred million, newspaper circulation and advertising are rising. There are an estimated eighty thousand individual newspapers, eighty-five per cent of which are printed in one of India's twenty-two official regional languages, and the circulation of English-language newspapers is expanding by about one and a half per cent annually. Many non-English newspapers are growing three times as fast, as about twenty million more Indians become literate each year. But, because English-language papers attract an upscale readership, they draw seventy per cent of the available ad dollars.

The *Times of India* has a daily circulation of four million three hundred thousand, the largest of any English-language newspaper in the world. The *Economic Times* is the world's second most widely read English-language business newspaper, after the *Wall Street Journal*. Both are owned by B.C.C.L., along with eleven other newspapers, eighteen magazines, two satellite news channels, an English-language movie channel, a Bollywood news-and-life-style channel, a radio network, Internet sites, and outdoor billboards. The company generates annual revenues of a billion and a half dollars, a paltry sum compared with an organization like News Corp., which produces thirty-three billion. But the pre-tax profit margin of B.C.C.L.'s newspapers is a remarkable twenty-five to thirty per cent. The company commands half of all English-language print advertising, half of English-language-newspaper readers, a third of TV news-channel ads, and almost a quarter of all radio and Web ads. It is the largest outdoor advertising company in India. The company has no debt.

One reason that Indian newspapers thrive is the absence of digital competition. Less than ten per cent of the population has access to the Internet, and, with two-thirds of the population surviving on less than two dollars per day, expensive smartphones and tablets aren't about to replace print media as the news-reading platform of choice. Also, Indian papers are cheap, costing between five and ten cents daily. There are few newsstands in India—only five per cent of papers are sold over the counter—and home delivery is free, paid for by the publishers. The actual price of each paper is even lower, because of what Indians call *raddi*, their recycling program. Subscribers save their newspapers, which are picked up by *raddiwallahs* each month; the customer receives about ten cents per pound, and the *raddiwallahs* sell the bundles back to the paper companies to be recycled.

The success of Indian papers, especially the *Times of India*, is also a product of their content and the unorthodox philosophy behind it. B.C.C.L. is a family-owned business, run by Samir Jain, the vice-chairman, and his brother, Vineet Jain, the managing director. "Both of us think out of the box," Vineet told me on a recent afternoon. "We don't go by the traditional way of doing business." His company's dominance can be explained simply, he added, though its methods are not taught in most Western journalism schools. "We are not in the newspaper business, we are in the advertising business," he said. With newspapers sold so cheaply and generating little circulation revenue, newspapers depend more on ad revenue, he said, and, "if ninety per cent of your revenues come from advertising, you're in the advertising business."

Jain sat behind a small wooden desk in an office the size of a large closet; the windows were covered by white shades, drawn against June's monsoon rains. At forty-six, Jain looked professorial, in dark slacks and a pale-blue dress shirt, black-framed eyeglasses, and short, parted hair that has begun to turn gray. "Earlier, the newspapers were written more for the intellectual élites," he said. "It was too serious at some point. It was not relevant to our readers."

Jain picked up a copy of the *Times of India* from his desk. The front page of the paper displays not six or seven stories but ten or eleven, plus a jumble of small boxes containing disparate news items, with no large photographs or design elements to provide a sense of neatness and symmetry. Jain flipped through the front section, which featured a mixture of national, local, and international news: a monsoon alert, graft charges against a Presidential hopeful, a Mumbai train collision, and a story about the Taliban's praise for India's refusal to get militarily involved in Afghanistan. Investigative stories are rare. The *Times of India* sees itself not as an agenda-setter but as a bulletin board, a mirror to what happened yesterday. The first section had many ads, and there were several advertising supplements.

The paper's innovations begin in its eight-page second section, which is titled the Bombay Times but is known in-house as Page Three. The section brims with color pictures of seductive women and muscular men, along with stories of Bollywood stars, handsome cricket pros, and international celebrities. The lead story that day described how aspiring actors, including a sultry Saiyami Kher, "are keen to start their innings in Bollywood." Jain explained that, like the surrounding stories, it was written by members of the reporting staff and paid for by the celebrities or their publicists. Most of the section was filled with ads, or with stories that were ads; a similar section appears in each city in which the *Times* is published. An internal company report in June lauded the strategy as "so important that today nearly all Bollywood movie releases pay for promotional coverage ahead of movie releases, and actors/actresses pay to develop their brand through coverage in the paper." Tucked under the section's masthead, four words in small type inform the reader that the contents are an "advertorial, entertainment promotional feature." Jain insisted that this meets the transparency test. "It's on my masthead," he said. "It says 'advertorial' clearly. All newspapers in the world do advertorials." But in the Jains' newspapers the advertorials are written by staff reporters, and a reader needs a magnifying glass to be alerted.

Jain got the idea for this section several years ago, after reading an interview with Richard Branson, the owner of the Virgin Group, in which Branson remarked that the reason he parachutes from airplanes and performs similar stunts is that, with this free publicity, he annually saves his company tens of millions of dollars in advertising. "When I read it, I said, 'Oh, my God, eureka—I'm stupid!' " Jain said. "Why these guys are not advertising in my paper is because I'm giving them free P.R." If a Bollywood studio or a car company sponsored a fashion show, the show won't be ignored by the paper, Jain said, but the name of the studio or the company won't appear. "They are promoting a brand," Jain said. "Pay me for it." The Jains call this ad-sales initiative Medianet, and Jain contends that it is more honest than what existed before, when reporters were slipped envelopes with cash or accepted favors in exchange for positive coverage. Why shouldn't the paper, instead of the reporters, collect the bounty? Medianet generates about four per cent of the company's revenues, a sum that is expected to double within a few years.

Another innovation, conceived by his brother Samir, is referred to as "private treaties" or "brand capital." Under this program, the newspaper offers a deal to smaller companies: it accepts ads in exchange for equity in a company. B.C.C.L. insists on one-third cash as a down payment and accepts real-estate ownership in lieu of equity; the resulting ads appear throughout the paper. The company has a stake in more than three hundred and fifty companies, and this accounts for up to fifteen per cent of its ad revenues.

In the U.S., several years ago, editors of the New York *Times* and the *Wall Street Journal* debated whether readers would be served, or journalism harmed, if the business department sold discreet ads that appeared on the papers' front pages. At the *Times of India*, or the Times Group, as the company is often called, the business side need not ask permission. The entire front page might be sold as an ad, for four hundred and fifty thousand dollars. Or two-thirds of it might be sold, or half, or a wraparound banner might be attached to the page; or the front-page ad might be followed by another, on page 2, with the normal page 1 buried inside the paper on page 3. For a hefty fee, the *Times of India* will even change the name on its masthead to, say, *Wakudoki India* (as it did on June 21st), a play on a Toyota ad campaign that claims that the car "makes your heart go wakudoki." Samir and Vineet Jain make no pretense that what they do is a public calling. Rather than worry about editorial independence and the wall between the newsroom and the sales department, they propose that one secret to a thriving newspaper business lies in dismantling that wall.

Samir Jain may be one of the more unusual media executives in the world; certainly he is one of the least visible. He has never granted an interview and made only a brief appearance, two decades ago, in a chapter on the Indian press, in Nicholas Coleridge's book "Paper Tigers." Indian news-service photographers are under standing orders to snap his picture, but they rarely succeed, because he attends few public functions. His wife, Meera, with whom he had an arranged marriage when he was twenty-seven, is said to have no interest in the business and keeps an even lower profile. I met Samir two years ago, during one of his trips to the U.S. to speak with people in the media. He told me about the unusual ad-sales strategies he had implemented, and of his newspapers' vibrant growth. If I visited India, I asked, would he talk with me about his business? He said that he would.

He didn't. Although Vineet and *Times* executives generously coöperated, Samir declined to meet. "The reason he probably doesn't give interviews is because he doesn't want the fame," Vineet told me. "It doesn't drive him. He doesn't want to be covered in newspapers and talked about. He'd rather be humble." The brothers are both press-shy. "On a rational basis, they believe we should not explain to our competitors what we are doing," Ravi Dhariwal, the company's C.E.O., said. "They will follow us eventually."

Samir Jain is fifty-eight, but he looks older, his once stark-black hair now gray. He follows a strict vegetarian diet and has a slim frame and face; his clothes tend toward the baggy, his buttoned shirt collars loose. He often speaks in parables. Namita Gokhale, a well-connected novelist who co-directs the Jaipur Literature Festival, once sat next to Jain at a dinner. Jain told Gokhale, "I think history doesn't exist, and if I were Prime Minister I would ban the study of history." Gokhale devilishly responded, "What I'll do is give you two tight slaps and a kick, and if you can't remember it I'll agree there's no history!" Jain politely smiled, turned away, and ignored her the rest of the evening.

Jain spends about half the year at the company's offices in New Delhi and Mumbai, and divides the rest between international travel and spiritual retreats, particularly in the holy city of Haridwar, a six-hour drive north of New Delhi, where he has a home. Here he and fellow-congregants wash away their sins in the River Ganges, do yoga, meditate, and chant.

Inside the company, an aura has en-

"The Cloud ate my homework."

veloped Jain; when he enters a room, executives rise. They know not to interrupt him during his daily nap at 3 P.M. or when he is engaged with his "spiritual family." They groan when they are invited to an event at his house, knowing they will not be served alcohol. But he is not a forbidding figure; he always invites visiting *Times* executives to board at his home, sharing family meals. "The first filter he uses in any decision is 'Will this be spiritually O.K.? Will I be able to go to my guru?' " Dhariwal told me with admiration. "He discusses a lot with his guru, I think. And if his guru doesn't bless it, I think he just drops it."

The *Times of India* has belonged to the Jain family for more than sixty years. It was started in 1838, by British owners, then swallowed five decades later by a joint British holding company, Bennett, Coleman & Company. Not until 1946, a year before India won its independence from Britain, did an Indian, Ramkrishna Dalmia, purchase the paper and the holding company. An ardent nationalist, Dalmia was a champion of the independence movement. He was also a man of many whims. He fathered eighteen children with six wives, three of whom lived concurrently in separate homes. Dalmia was more interested in politics than in newspapers, and he entrusted the company to his son-in-law Shanti Prasad Jain, the grandfather of Samir and Vineet Jain. Under India's first Prime Minister, Jawaharlal Nehru, Dalmia was prosecuted for embezzlement and fraud. When he was released after two years in prison, in 1964, his son-in-law and daughter rebuffed his efforts to resume command of the company, creating a rift between the Dalmias and the Jains.

Shanti Prasad's son, Ashok Jain, took over in the nineteen-sixties; in 1975, Ashok's eldest son, Samir, joined the company as a junior executive, after receiving a university degree from St. Stephen's College, in New Delhi. During the next seven years, Samir concentrated on the media business, while his father focussed on running the more than ten companies that made up the non-publishing parts of B.C.C.L., including cement, jute, and textile businesses. By the late eighties, as vice-chairman, Samir had assumed command of the company. In the nineties, his father, pursued by government charges of fraud and seeking medical treatment for a weak heart, left for the United States; Vineet joined Samir in 1993, as the deputy managing director, after graduating from the American College of Switzerland. Although the brothers confer on all points of the business, Samir concentrates on newspapers and broad strategy, while Vineet focusses on television, radio, and the Internet. Company executives rarely address Samir by name, preferring instead to call him V.C.; they address Vineet as M.D.

When Samir Jain first took over, the various businesses of B.C.C.L. were in decline. With national literacy rising, he decided to gamble on newspapers. He led long strategy sessions. "His mind was very clear about what business we were in," Bhaskar Das, who became Samir's principal sales executive, told me. "We knew we were in the business of aggregating a quality audience. Before that, we just sold advertising space." Das, who joined the Times Group in 1980, is a member of the company's board of directors and now serves as president and principal secretary to Vineet. He is tall and lean, with a chiselled jaw and silver hair that falls to his shoulders, and wears designer glasses. "We are a derived business," Das said. "When the advertiser becomes successful, we are successful. The advertiser wants us to facilitate consumption."

Jain encouraged his executives to push back as he honed plans to forge a stronger business. "He's one of the most challenging and stimulating men I ever met," T. N. Ninan, a former editor of the *Economic Times*, who is usually a critic, said. "His mind is active. He reads people's motives very well." Jain recruited managers from consumer-product companies like PepsiCo and Unilever and invited them to attend editorial meetings. Credit cards, which, at the time, were hard to get in India, were secured for members of the sales team but not for the editorial team. This was Jain's way of downgrading élitist newspaper editors who might want to leave a mark on the paper, thereby constraining his ability to make business decisions. "Editors tended to be pompous fellows thundering from the pulpit, speaking in eighty-word sentences," Rahul Kansal, Jain's executive president and brand chief, told me. "They saw themselves as part of nation-building, as part of a big dialogue. It did not connect too well with younger Indians."

Samir Jain pressed his executives to create a more youthful paper. Articles would be shorter, sentences snappier; there would be more sports, less politics, more Bollywood, more color, lower necklines, and few book reviews. "You can't write about Mahatma Gandhi's birthday for a fifteen-year-old," Das said. "You can give a passing reference for the grandfather." He added, "Everyone wants to feel young, think like the young. Youth is an aspirational band, not a demographic band. So if you make the paper youthful it satisfies everyone."

"Aspirational" is a word one hears often around the *Times* offices, as a way of characterizing the sunny outlook that the Jains say their readers want. "We keep saying the glass is half full, not half empty," Vineet said. Poverty, given that it's not a condition to which one aspires, receives scant coverage. In the early nineteen-nineties, Palagummi Sainath, now a rural-affairs editor at the *Hindu*, wrote several dozen newspaper reports on rural poverty as a freelancer at the *Times*. Later, when he spent four years living among the Dalit community, often described as the "untouchables," he didn't bother submitting the pieces he wrote about them to the *Times*. He recalls a *Times* editor once asking him why he was pitching a story on rural poverty: "How is this relevant to our readers?"

By the mid-nineties, the *Times* referred to itself, as Das did in his conversation with me, "not as a newspaper but as a brand," with target audiences that advertisers coveted. Although there is no absence of bleak news in the *Times*—railway accidents, terrorist attacks, bureaucracy, corruption—"our general take on life, and it comes back to our editorial philosophy, is one of optimism," Dhariwal told me. When a tsunami struck south India, the *Times* "tried hard to find some good stories there"—heroic rescues, families reunited. Recently, when Rajat Gupta, who was born in India, was convicted in New York of insider trading, the lead story on page 1 of the *Times* focussed on the human dimension and was headlined "JURORS WERE IN TEARS AS THEY HELD GUPTA GUILTY." Shekhar Gupta, the editor-in-chief of the *Indian Express*, a more hard-hitting paper, said that when he and Samir Jain encounter each other Jain usually hands him underlined copies of Hindu scripture and "affectionately" admonishes him that "my publication is too dark."

Little more than a decade after Samir Jain assumed control, the company had become the largest media corporation in India. "I would give all credit to my brother," Vineet Jain told me. The company also benefitted from a warmer economic climate; starting in 1991, India privatized many industries and reduced regulations. The government would continue to be the sole provider of news that aired on state radio; elsewhere, market forces were usually allowed to dominate the media.

Although the Jains were friendly to advertisers, they played hardball. "We tell advertisers that if you want to be in the *Times of India* you have to drop our Marathi competitors and take the ads to our Marathi paper," a senior executive, who asked not to be named, said. "We told advertisers that if you want the *Times of India* in Mumbai you drop the *Hindustan Times*." When the salmon-colored *Financial Times* prepared to expand into the Indian market, Samir Jain worried that it would undercut his salmon-colored *Economic Times*. So in 1993 he registered the term "Financial Times" as a trademark of his company, and declared that if the

British paper entered the country it would be violating his intellectual property. Two decades later, the case is still winding its way through the Indian court system.

Jain's artillery against existing competitors involved reducing newspaper prices. In 1994, when the top-selling paper in New Delhi was the *Hindustan Times*, Jain slashed the price of the *Times of India* by a third, to one and a half rupees, or about three cents. He took care to build a bigger ad-sales force in advance, because he knew that with lower circulation revenue the paper would need more ad income. By 1998, the *Hindustan Times* had slipped to second place in New Delhi. When Jain cut the price of the paper in Bangalore to a single rupee, Siddharth Varadarajan, one of his editors and the current editor-in-chief of the *Hindu*, told him, "This is predatory pricing." Jain responded, "Absolutely not. By lowering the price, I am expanding the number of readers." The gamble paid off: home subscriptions to the *Times* increased fivefold.

The inspiration for one of Samir Jain's more innovative pricing strategies was the zoo in Calcutta, his home town. As he walked by on a Monday, normally a slow day after a busy weekend, he was surprised to see a long line. To boost attendance, the zoo had lowered its admission price that day, he learned, which gave him an idea: one day a week, on Wednesdays, he would halve the price of the paper. Circulation rose, so Jain introduced "invitation pricing," lowering the price three days a week in certain locations. The strategies pioneered by Samir Jain at the *Times of India*—setting aggressive prices, employing focus groups to learn what readers crave, and, above all, treating advertisers as the primary customer—have since become standard in the industry. "His legacy is really making this business a profitable business," Sanjoy Narayan, the editor-in-chief of the *Hindustan Times*, conceded. "Before him the newspaper business was run almost like a nonprofit." He added, "He's been emulated by everyone else."

The Jain family is very close. With Samir's twenty-seven-year-old daughter, Trishla, and her husband, Satyan Gajwani, the brothers share a Gatsby-like home on three and a half acres in the exclusive New Delhi area off the Motilal Nehru Marg road. Their neighbors are billionaires, celebrities, and government officials, who live in "bungalows" hidden by high walls and tall, leafy jacaranda, acacia, gulmohar, and neem trees. A visitor to the Jain home is greeted at the dimly lit stone entrance by a statue of Ganesha, the elephant god, revered as the "remover of obstacles" and worshipped by many Hindus as the supreme deity. Inside are three living areas, with two separate kitchens, dining rooms, and

"I beg your pardon, but a mustache is required in the dining room. Would you like us to provide you with one?"

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living rooms. Samir's living room is more formal, with wooden floors covered with dark Persian rugs, walls adorned with centuries-old Indian and European paintings, and stained-glass windows. The rooms of Vineet and of Trishla and Gajwani are brighter and more modern. On the top floor, Trishla paints in a studio, seeking to insinuate into her paintings, collages, and sculptures text from the English literature she studied at Stanford.

The matriarch, Indu Jain, who holds the title of chairman, resides nearby, in the home in which the Jain brothers grew up. (Their father died, in 1999, of heart failure at a Cleveland hospital.) Indu has also embraced gurus, but Vineet has not. "She keeps pushing me to join," he told me. "Once in a while, to make her happy, I'll come. But I stay away from gurus. I'm not going to waste three hours listening to a discussion every day."

Close associates say that Samir's involvement with a guru and his ashram deepened after a series of family tragedies. A few years after his father's death, Samir's teen-age son choked to death on a piece of food. The following year, his sister Nandita, who also worked at the company, died in a helicopter crash. "You never talk about death with Mr. Jain," a senior executive said. Not because he is uncaring, he added, but because Jain avoids the topic. The *Times* has adopted a similar stance. "We don't have many pictures of death," Vineet said. "We don't put death too much on the front page." As Samir's spirituality increased, his schedule became something of a mystery, even to fellow-executives. Tom Glocer, the former C.E.O. of Thomson Reuters, whose company had a joint television news venture with the *Times of India*, was impressed with the management of the company. Yet he had met Samir Jain only once. "Whenever we were supposed to have a meeting, I was told he was off to some shrine," Glocer said.

As Samir receded from view, Vineet assumed more responsibilities. In 2003, he helped launch Medianet, their venture to induce celebrities and brands to pay to have news written about them; two years later, he helped implement private treaties. He has also focussed on transforming B.C.C.L. into a multimedia company, making investments in radio, television, and the Internet.

Because these businesses are mostly in Mumbai, Vineet spends more time in that city; he shares a house with his brother there, too. Although Vineet insisted that he and Samir do not determine content, he also said, "I am the content architect." He takes credit for the idea of running small, boxed editorials, under the rubric Times View, alongside some front-page stories, as a way of proposing a solution, he said, and because "the editorial page is only read by five per cent of readers." He does not worry that including editorials with news stories might lead readers to think the news has been slanted to conform to either a commercial or a political interest. He extended the innovation to the *Economic Times* this year. When B.C.C.L. relaunched its twenty-four-hour satellite news channel, in 2006, Vineet spent weeks laboring over the name, finally settling on Times Now. He wanted talking heads to argue, not discuss. He wanted "a breathless nowness and immediacy, not leisurely features and analysis," according to "The Times of Media," the company's official history. "It is about creating the illusion of breaking news, even if it is in fact news that's already been broken."

Vineet and Samir share a belief that government affairs and politics should not be the focus of their lives or of their newspapers. Even critics praise them for having no political agenda to advance their business. Hobnobbing with government leaders holds no interest for the Jains. When President Obama visited India, Vineet declined an invitation to a state dinner. "What will I do?" he said to me. "It's just meeting somebody, shaking hands. What's the point?" Besides, he added, "the closer I get to politicians, the more they'll interfere. It's a Catch-22. Politicians are no one's friends." If he befriended them, they'd call and complain about a story, or pressure him to run a different story. "You start getting calls every day. We don't get any calls. It's so easy," he said, smiling.

Vineet said that he is comfortable thinking of himself as the younger brother. "I think of one hundred small ideas, he thinks of three big ideas," he said. Sometimes Samir imparts fatherly advice: "He would say, 'Relax. Work less. Have a good balance. What are you chasing money for?' " But, Vineet said, "for me, it's not work. I love creating something. It's so much fun—I hardly take holidays. For me, this is a holiday." Unlike Samir, Vineet is divorced and was often seen in the company of beautiful women; people who don't know him sometimes mistake him for a playboy. "Samir is into God," an Indian publishing executive says. "Vineet is into women."

Although blurring business and editorial content has clearly worked well for the business side of the Jains' enterprises, critics are quick to point out what has been lost. "Samir Jain is the sharpest and most creative mind in media in the country," Shekhar Gupta, of the *Indian Express*, told me. But Gupta lamented the paid news and the private treaties and the power that the Jains have granted advertisers. "The seed of the problem lies in the idea that you call focus groups, where you figure out what it is they like to read in a newspaper and then tailor the content accordingly," Gupta said. For standing by his principles, however, and not engaging in similar practices, Gupta has paid a price: the circulation of the *Express* has not risen above three hundred thousand in the past decade, and he admits to making only "modest" profits.

The poor quality of the journalism attracts the heaviest criticism. After graduating from the Columbia University School of Journalism and working for almost five years as a copy editor at the *Wall Street Journal*, Naresh Fernandes returned to India in 2002, as a news editor for the *Times*. "This wasn't the paper I had idolized all my life," he said one evening over a beer at the worn Press Club, in an area of Mumbai where reporters gather to drink. Rain pounded on a canvas roof. Fernandes recalled admonishing his reporters in a memo, "A quote is exactly what somebody said and the way he said it." A fellow-editor dressed him down: "You're bringing American standards to the newspaper." Eight months later, Fernandes resigned.

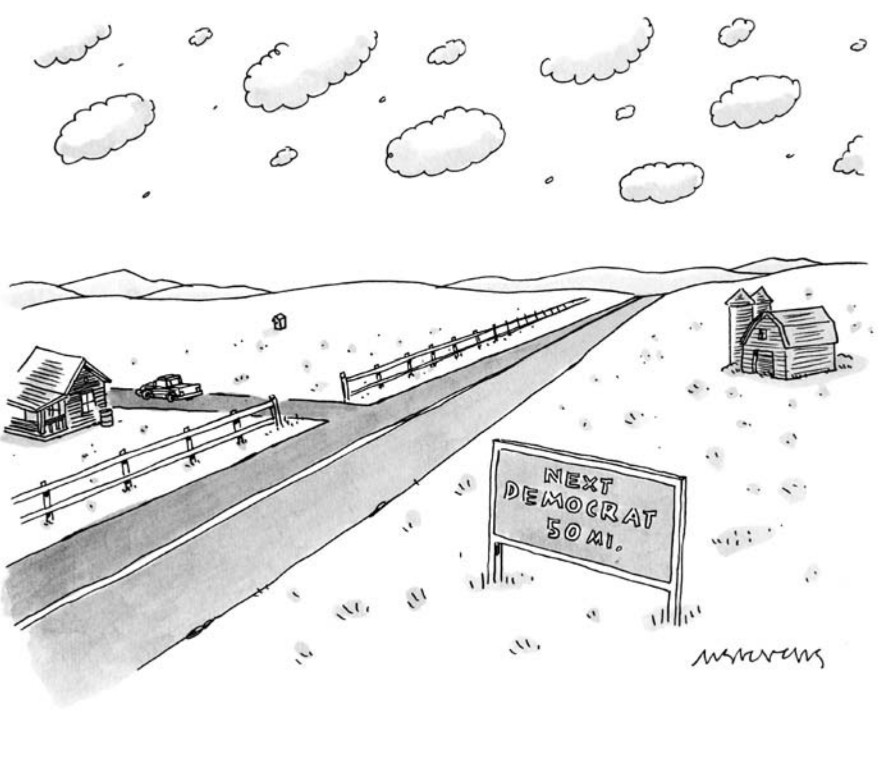
Certain biases are baked into the coverage. The *Times* shows a greater interest in government corruption than in corporate corruption. In 2005, the Honda Motors plant in Gurgaon experienced an eight-month-long conflict between management and non-unionized workers over wages and work conditions, provoking violence and charges of police brutality. A doctoral study of the *Times'* coverage, by Vinod K. Jose, an editor at the magazine *The Caravan*, showed that the paper aired the concerns of Honda and the harm done to India's investment climate, while largely ignoring the issues raised by workers. Ajit Balakrishnan, the founder of Rediff, an early and successful Indian portal and e-commerce site, sees the focus on government corruption as a dodge by the wealthier, English-speaking classes to avoid issues of real substance, like primary education and health care. The élites are "constantly living under fear that as democracy deepens, and people vote independently, their own role and comfortable place in society is eroding," Balakrishnan said. Critics claim that the company's paid news and private treaties skew its coverage and shield its newspaper advertisers from scrutiny. Vineet Jain calmly insisted that a wall does exist between sales and the newsroom, and that the paper does not give favorable coverage to the company's business partners. "Our editors don't know who we have," Jain said, although he later acknowledged that all private-treaty clients are listed on the company's Web site.

Aroon Purie, the C.E.O. of the India Today Group, which includes dozens of magazines, four TV news channels, several radio stations and Web portals, and one newspaper, believes the Jains have granted too much power to advertisers. "They have set standards where advertisers can ask for anything," he told me. Brazen advertisers have said to him directly, "If the *Times of India* does it, why can't you do it?" He described interviewing *Times* reporters for jobs, "and they told me they couldn't write this story" because the subjects were private-treaty clients. His publications enter into barter deals with companies, Purie said, but "we don't say we won't write negatively about you."

In a 2010 interview with the magazine *Outlook*, Dhariwal, the company's C.E.O., said that each partner in a private treaty signs a contract that stipulates "that he will not get favorable editorial coverage." He added, "Give me one instance where our private-treaty investment has had favorable editorial mention, or a story has been suppressed."

The Hoot, a Web site devoted to media criticism, has pointed out one such instance. When an elevator operated by a construction company putting up a nineteen-story luxury apartment complex crashed in Bengaluru, killing two workers and injuring seven, the *Times* story did not include the name of the construction company, Sobha Developers, a private-treaty partner, "unlike all the other English and Kannada newspapers which explicitly did so," the site noted. "The third casualty in the accident" was "honest reporting and freedom of the press."

Palagummi Sainath, of the *Hindu*, offered an example of how the *Times* sometimes bends news to favor its advertisers. A full-page article, titled



"REAPING GOLD THROUGH BT COTTON," published on August 28, 2011, declared that Monsanto's genetically modified Bt cotton seeds have "led to a social and economic transformation of the villages." It appeared to be a news story, complete with a byline, but close inspection of the small print revealed that it was a "marketing feature," paid for by Monsanto. Reporting for the *Hindu*, Sainath noted that the advertisement had run "word for word" three years earlier as a news story in the Nagpur edition of the *Times*. And, he said, both the story and the ad were misleading: in fact, the Bt seeds did not grow cotton as promised; the land lay fallow, and farmers went bankrupt. Since 2003, more than thirty-three thousand farmers had committed suicide in the state of Maharashtra, including nine in the "model farming village" depicted in the story and the ad.

The business strategies embraced by the Jains have gradually permeated India's media industry. In 2010, a report by a subcommittee of India's Press Council, a toothless body largely composed of press potentates and politicians, found that the *Times'* Medianet had spurred an "epidemic" of paid news among newspapers and some of the more than five hundred television channels. "In the 1980s, after Samir Jain became the executive head of Bennett, Coleman Company Limited, publishers of the *Times of India* group of publications, the rules of the Indian media game began to change," the report concluded. They labelled many of the practices that followed as "extortionist," making clear that these were often criminal acts, as under-the-table payments were fraud, neither reported as income nor taxed. They recounted examples of local reporters selling ads to the same people they covered and receiving commissions on the sales, and described a common practice in which many rural newspapers issued an unusual advertising rate card to political candidates. In a representative case, for forty thousand dollars, a candidate could arrange to have positive stories written about him for fifteen days; thirty thousand dollars bought ten days. Negative stories about one's opponent would cost extra. If a candidate paid nothing, the newspaper ignored him.

When the report was submitted to the Press Council, the thirty-member council initially declined to release it, worried that it would undermine the credibility of publishers. Then it published a small part of the report, expunging names and other specifics. "So the whole objective of naming and shaming was lost," Paranjoy Guha Thakurta, an independent journalist and one of the two authors of the report, told me. After more than a year, Thakurta and others finally managed to get the original report released in full. Even then, much of the Indian press had little to say about it. "In India, the print media doesn't write about itself," Sevanti Ninan, who has written for many Indian newspapers, and who, in 2001, founded the Hoot Web site, said. When it comes to self-criticism in the established press, Jonathan Shainin, an American-born editor at *The Caravan*, told me, it's "almost like an *omertà*."

Journalism in India can boast of many successes. The *Hindu* has twelve correspondents overseas, in addition to in-depth reporting on subjects like poverty. The *Hindu* and the *Express* reject paid news, as does the *Malayala Manorama*, a Malayalam-language paper, based in Kerala, which has the fourth-largest daily circulation in India. The *Times of India's* New Delhi edition alone has a staff of two hundred and thirty-five. "I am a secret admirer of the *Times of India*," Krishna Prasad, one of the paper's fiercest critics, and the editor-in-chief of *Outlook*, acknowledged. "They are far less ideological than most newspapers in this country. On any given day, you get more variety, and on a big news day no one in this country covers the news in the three-hundred-and-sixty-degree fashion better than the *Times of India*. I think very few newspapers have the depth and breadth to match it."

Yet, by Western standards, the Indian press is not aggressive. Madhu Trehan, a Columbia School of Journalism graduate who was the founding editor of the magazine *India Today*, is an author and founder of Newslaundry, a Web site that seeks to critique the press. On her right shoulder is a small tattoo in blue ink: "OM?" It reminds her, she says, to "question everything." Trehan believes that Indian culture is hypocritically polite. "Harmony is more important than conflict," she said. "When children are honest, their father tells them they are being rude."

Darryl D'Monte, a Cambridge-educated editor and writer who once served in a senior editorial capacity at the *Times*, blames Samir Jain rather than culture for much of the industry's ethical weaknesses. "The *Times* has corrupted the entire face of Indian journalism, including television," he told me, noting that there is less international news, less coverage of the arts, less reporting on the many dire threats that India faces. Editors are preoccupied with what readers think they want to know about and with what advertisers want. "It's like a cancer that has spread," D'Monte said. "It is the most serious threat to journalism not only in this country but in the entire developing world."

One afternoon, Vineet Jain, sitting on a sofa in his home with a stack of work on the coffee table in front him, spoke of the challenges facing his company. He'd like to invest in more than three non-English newspapers; of the ten largest-selling newspapers in India, nine are published in regional languages. The *Times* ranks sixth in daily readership; the Hindi newspaper *Dainik Jagran* is first, with sixteen and a half million readers. Since there are fewer upscale readers than in the English-language press, advertising rates in regional-language papers are lower. But, because more copies are sold over all, there is more revenue.

Satyan Gajwani, Samir's son-in-law, entered the room, and Vineet invited him to join us at the dining-room table for a vegetarian lunch. Gajwani, twenty-seven and outgoing, had recently been promoted to supervisor of the company's digital businesses. He had met Trishla at Stanford, where he studied mathematical and computational sciences; his parents are from India, but he was born and raised in Miami. In 2007, as graduation neared, the couple planned to move to New York. After graduation, Samir took them to Maui for a week's vacation, and talked to Gajwani about the family business. The couple moved into an apartment in the West Village. Trishla got a master's degree at Teachers College, and Gajwani went to work as an equity trader at Lehman Brothers. "He kept pitching me to move to India," Gajwani said. In December, 2008, the couple moved into the Jain house in New Delhi. "I didn't know if I could live in India," Gajwani said, and he could not get engaged before he knew the answer. But his future father-in-law was persistent, treating him like a son, giving him a job and more and more responsibility at the company. The couple married in February, 2011.

Vineet continued the strategic discussion, acknowledging that the company had come late to the television business. Because Samir is profoundly averse to debt, the company did not make a serious bid in 1992, when AsiaSat, a satellite service owned by Li Ka-shing, of Hong Kong, put a transponder up for sale in India. The prize went instead to Subhash Chandra, who went on to launch Zee Entertainment, and Zee's growth now exceeds that of the *Times*. Instead, the Jains own a twenty-four-hour news channel and a business channel, but these, and its English-movie and Bollywood channels, are niche businesses. They don't own a soap-opera channel that airs the kind of entertainment programming that attracts big audiences and advertising dollars. "We are always open to an acquisition," Vineet said. They have been in discussions with Sony, which owns a successful channel, in the hope of buying it or, perhaps, forming a partnership.

"In the long run, we might go public and use the funds to acquire TV stations," Vineet said. "We don't need money to grow publishing, but we do to grow television and Internet."

If the Jains do take their company public, the time to do so will be when their newspapers are expanding, so that investors will see B.C.C.L. as a growth stock. But that raises a question: How long before the Internet disrupts the newspaper industry in India? Vineet said that he believes newspapers in India will continue to grow for another fifteen years, abetted by expanding regional-language dailies. Today, the company's various sites—starting with its Yahoo-like IndiaTimes.com, which features health, travel, shopping, news, finance verticals, and e-mail —reach one-third of all Web users in India, with no pay walls. Quoting an April, 2012, Comscore tally, Gajwani said that their digital ventures, which now employ thirteen hundred people, attract more unique visitors than any other Indian site.

Some in the Indian media believe that the Internet threat is more imminent. A case can be made that English-language newspapers in India are more vulnerable, which is the argument advanced by a senior editor at the *Times*. "Everyone who reads the *Times of India* is on the Net," he told me, and, with the price of smartphones steadily dropping, he expected the newspaper business to be disrupted more quickly. In fact, the editor said he believes that the "owners are deliberately underplaying the likely immediate impact of the Net, as they don't want advertisers and readers to go rushing off to the online edition." Gajwani agreed that the drop in the price of smartphones will spur additional online traffic, but he thinks that India's slow development of a 3G or 4G infrastructure to relay signals will stall the threat.

As servants brought glasses of sweet coconut water and sliced papaya, Vineet said that it was too confining to think of the *Times* as being in the journalism business. "If we say we're in the soap business, then you'll not do shampoo," he said. "If I say I am in the news business, then you won't do entertainment supplements. If you are editorially minded, you will make all the wrong decisions." It annoys him that so many newspapers in India have copied the *Times'* policy of exchanging ads for equity without openly admitting it. But he takes pride in having set the standard that most of the industry follows.

"Every competitor at first agitates over it, gets angry about it, and then quietly apes it," Krishna Prasad, the editor-in-chief of *Outlook* and the founder of sans serif, a media blog, told me. "Each player in the Indian market, whatever the language, is left with very few options And newspapers who say they are not doing it are basically lying." Prasad does not foresee any sort of awakening, in which Indian newspapers become more wary of the power wielded by advertisers and more receptive to the kinds of church-state ethical questions often posed in the West. "The toothpaste is out of the tube, and it can't be put back in," he said. "People have seen how sweet it is." ♦