



MEDIA AND ENTERTAINMENT

SUMMARY

The Media & Entertainment (M&E) industry revenues, at a global platform, are expected to rise from USD 1.8 Tn in 2016 to USD 2.2 Tn in 2021. ¹

The M&E industry in India reached INR 1.82 Tn in 2019 registering a growth rate of 9%. The industry is expected to touch INR 2.4 Tn by 2022. ²

Globally, India is the largest consumer of mobile data ¹¹ and the second-largest television market. ³

India is currently the world's second-largest telecommunications market with a subscriber base of 1.18 bn. India's growing mobile economy now constitutes about 98% of all telephone subscriptions. ¹³

REASONS TO INVEST

India has a large broadcasting and distribution sector, comprising approximately more than 800 satellite TV channels. The distribution network consists of 6,000 multi-system operators, around 60,000 local cable operators, 7 DTH operators and many IPTV service providers. ⁴

India had a total of 118,239 registered publications as of March 2018, consisting of 17,573 in the news category and 100,666 in periodicals. ⁵

The 5G spectrum band is expected to be launched in 2020-21.

[Explore more about infrastructure availability in Media and Entertainment sector >](#)

RECENT ANNOUNCEMENTS

5th December 2020: The Ministry of Information and Broadcasting has issued an advisory asking all private television broadcasters to follow guidelines issued by the Advertising Standards Council of India (ASCI) for advertisements relating to online gaming, fantasy sports etc.

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STATISTICS

Largest industries by market size, within the M&E industry in 2019, include: ⁶

Television (INR 787 Bn)

Print (INR 296 Bn)

Digital media (INR 221 Bn)

Filmed entertainment (INR 191 Bn)

After the introduction of 4G in 2015, India's broadband subscriber base has progressively increased and crossed 600 mn users as of September 2019. ¹¹

With the increasing online population, online gaming and digital media are projected to have the highest CAGR (2019-22) of 43% and 23% respectively. ⁶

While television and print retained their positions as the two largest segments, digital media overtook filmed entertainment in 2019 to become the third-largest segment of the M&E sector. Digital subscription revenues more than doubled from 2018 levels and digital advertising revenues grew to command 24% of total advertising spend. ⁶

GROWTH DRIVERS

Television and AGV (Animation, Gaming and VFX) segments are expected to lead the industry growth, with opportunities in digital technologies as well. The segment has produced over 1,600 hours of original OTT content, 1,800+ films and over 200,000 hours of entertainment television. ⁶

Growth in the number and spread of multiplexes.

Increasing liberalization through FDI and tariff relaxation.

Measures such as digitization of cable distribution to enable the viewer's choice and higher growth.

Rising incomes and evolving lifestyles, leading to higher demand for aspirational products and services.

Higher penetration and a rapidly-growing young population, coupled with increased usage of 4G and portable devices, to augment demand.

FDI POLICY

BROADCASTING CARRIAGE SERVICES ⁷

FDI in teleports, DTH, cable networks, Multi-System Operators (MSOs), mobile TV, headend-in-the-sky broadcasting services are allowed up to 100% under the Automatic route.

BROADCASTING CONTENT SERVICES ⁷

FDI in FM radio is allowed up to 49% under the Government route.

FDI in up-linking of 'News and Current Affairs' TV channels, is allowed up to 49% under the Government route.

FDI in up-linking of 'Non-News and Current Affairs' TV channels/ down-linking of TV channels, is allowed up to 100% under the Automatic route.

PRINT MEDIA ⁷

26% FDI under the Government route is allowed in the publishing of newspapers and periodicals dealing with news and current affairs.

26% FDI under the Government route is allowed in the publication of Indian editions of foreign magazines dealing with news and current affairs.

100% FDI under the Government route is allowed in publishing/ printing of scientific and technical magazines/specialty journals/ periodicals.

100% FDI under the Government route is allowed in the publication of facsimile editions of foreign newspapers.

The cumulative FDI equity inflow in the Information and Broadcasting industry (including Print Media) is USD 9,369.01 mn during the period April 2000 to September 2020. This constitutes almost 1.87% of the total FDI inflow received across sectors.¹²

[Read more about Foreign Direct Investment Policy in India >](#)

SECTOR POLICY

Cable operators under the digitization regime, are legally bound to transmit only digital signals, while customers can access subscribed channels through a set-top box.

The Government announced 90% subsidy for the North Eastern States and 75% subsidy for other states in setting up of community radio stations.⁸

National Digital Communications Policy (2018) has the following objectives to achieve by 2022:⁹

Broadband for all

Creating 4 mn additional jobs in the Digital communications industry

Enhancing the contribution of the Digital Communications industry to 8% of India's GDP from 6% in 2017

Propelling India to be the top 50 nations in the ICT Development Index of International Telecommunication Union (ITU) from 134 in 2017

Enhancing India's contribution to global value chains

Ensuring digital sovereignty

Co-production treaties with various countries such as Italy, Brazil, the UK and Germany are to increase the export potential of the film industry.

The "National Broadband Mission" (NBM) or "Rashtriya Broadband Abhiyan" has been launched by the Government of India to operationalize the objective of National Digital Communications Policy – 2018 (NDCP-18), i.e. "Broadband for All". NBM also aims to bridge the digital divide in the country, fast track growth of digital communications infrastructure, facilitate digital empowerment & inclusion and provide affordable, universal access to broadband to all.¹¹

[Explore Government policies/schemes in Media and Entertainment sector >](#)

FINANCIAL SUPPORT

PROVISIONS OF THE 2020-21 UNION BUDGET

It has been proposed to provide USD 845 Mn to Bharatnet programme in 2020-21¹⁰

Bharatnet Project aims to connect 100,000 gram-panchayats (village councils) with high-speed broadband connectivity.

STATE INCENTIVES

Available with different states depending upon the investment, number of jobs created, area of investment, etc.

OTHER INCENTIVES

Ministry of Information & Broadcasting, Government of India, announced 90% subsidy for the North Eastern States and 75% subsidy for other States in setting up of community radio stations.⁸

INVESTMENT OPPORTUNITIES

Some of the prospective sub-sectors in the E&M industry for private investors include:⁶

Television industry

Digital media

Filmed entertainment

Animation and VFX

Online gaming

Over-the-top (OTT) media services

[Explore projects to invest in Media and Entertainment sector >](#)

FOREIGN INVESTORS

Walt Disney (USA)
NBC Universal (USA)
Ogilvy and Mather (USA)
Blackstone (USA)
Interpublic Group (UK)
Bloomberg (USA)
News Corp (USA)
Sony (Japan)
Leo Burnett (USA)
BBC (UK)

AGENCIES

Ministry of Information & Broadcasting, Government of India
Indian Motion Picture Producers Association
Film and Television Producers Guild of India
Newspaper Association of India
Association of Radio Operators of India
Indian Music Industry

SOURCES

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3. Journey of Television Revolution, PIB website, <http://pibarchive.nic.in/newsite/printrelease.aspx?relid=169686>
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9. National Digital Communications Policy 2018, Department of Telecommunication website, <http://dot.gov.in/sites/default/files/EnglishPolicy-NDCP.pdf>
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11. National Broadband Mission, https://dot.gov.in/sites/default/files/National%20Broadband%20Mission%20-%20Booklet_0.pdf?download=1
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MAKE IN INDIA