



Department of Industrial Policy
and Promotion

Ministry of Information &
Broadcasting

Media and Entertainment

Achievements Report

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MAKE IN INDIA

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Media and Entertainment

The Indian Media and Entertainment (M&E) industry worth 1157 billion in 2015 increased by 12.8% over 2014. The industry is expected to **grow at a CAGR of 14.3% and is expected to reach INR 2260 billion (USD 33.7 billion) by 2020.**

With 175 million television households, 110,851 registered publications (newspapers and periodicals), close to 200 multiplexes, the media & entertainment industry in India is on rapid rise. India has a large broadcasting and distribution sector, comprising approximately 900 satellite TV channels, 6000 multi-system operators, around 60,000 local cable operators, 7 DTH operators and a few IPTV service providers.

The Media and entertainment industry poses huge growth opportunities:

- By 2019, digital advertising is projected to have the highest CAGR of 30.2%, while all other sub-sectors are expected to grow at a CAGR between 8% and 18%.
- The size of the television industry estimated at INR 542 Billion in 2015, is projected to grow at a CAGR of 15% and reach INR 1098 Billion by 2020.

- The Print industry has grown from 263 billion in 2014 to 283 Billion in 2015, is projected to grow at a CAGR of 7.8% (2015-2020) to reach 412 billion.
- The Indian film industry is expected to reach INR 204 Billion by 2019, up from INR 126.4 Billion in 2014.
- The Indian radio industry worth INR 19.8 Billion is expected to grow at a CAGR of 16.97% to reach to INR 43.3 Billion by 2020.
- Television and AGV (animation, gaming and VFX) segments are expected to lead industry growth, with opportunities in digital technologies as well. The animation industry worth INR 45 Billion in 2014 is expected to expand at a CAGR of 16.3% reaching INR 95.5 Billion by 2019.

Policy Initiatives & Investments

Print Media Advertisement policy 2016:

The new policy issued on 07.06.2016 replaces the previous Print Media Advertisement policy, 2007.

It aims to promote transparency and accountability in issuing of advertisements to print media.



Policy Guidelines for Private FM Radio Stations

The policy released on 11.08.2016 provides for

- empanelment of private FM Radio Stations on the basis of minimum broadcast period, for which copy of grant of permission agreement with Ministry of Information and Broadcasting and copy of valid wireless operating license by Ministry of Communications etc. are required and
- fixation of city category specific rates on the basis of population and listenership data provided by Indian Readership Survey, 2012.

Internet Advertisement policy of DAVP

New policy Guidelines issued on 24.05.2016 for Central Government advertisements on online platform (such as Google, Yahoo etc.). The policy sets out criteria for empanelment of suitable agencies and Rate fixation for advertisements on websites. It stipulates eligibility criteria for websites to get empanelled with DAVP which includes cross checking of Unique Users (UU per month

New Category of Film Visas introduced: The Government introduced a new category of visas to be issued to Foreign Film Makers to come and Make in India for a period of One Year with multiple entries.

National Film Heritage Mission (NFHM)

NFHM aims to restore, digitize and archive films and film material through National Film Archive of India. The project is being carried out in mission mode and is spread over a period of seven years from FY 2014-15 through FY 2020-21. The total outlay for the projects is INR 597.41 crores.

The project, although envisaged in 2012, **received its first tranche of funds of INR 20 crore in March 2016**. The project would involve collection of film prints for assessment of their residual life; preventive conservation of 1,32,000 film reels; picture and sound restoration of 1145 films and 1108 short films; digitization of 1200 feature films and 1660 short films and construction of archival and preservation facilities with controlled conditions at the National Film Archive of India's campus at Pune.

Launch of DD Kisan Channel

A 24X7 DD Kisan channel was launched on May 26, 2015 to provide latest updates on agriculture and related subjects to Indian farmers. The **channel recorded 1.52 crore viewership within a span of 7 months**.



FDI Policy

The M&E sector offers many opportunities to investors especially after the Government further liberalized the FDI policy. Details in Table 1 below.

FDI Inflows

During **April 2014-Feb 2017**, a total of **USD 2.6 billion** has been received as FDI equity inflows in information broadcasting (including print media). FDI equity inflow, grew by 52% in during 2014-16 (USD 1.26 billion) as compared to 2012-14 (USD 0.83 billion)

Some of the major Investments during April 2014-Feb 2017 are as below:

Foreign Collaborator	Country	Indian Company	FDI Inflows (USD Million)
Buzzer Investments Ltd	Mauritius	Star India Pvt Ltd	344.4
Star Entertainment Holdings Ltd	British Virginia	Star India Pvt Ltd	266.0
Quikr Mauritius Holding Pvt Ltd	Mauritius	Quikr India Pvt Ltd	237.2
Nickeloden Asia Holdings Pte Ltd	Singapore	Prism Tv Private Limited	144.6
Thymelicus Holding B.V.	Netherlands	Cinopolis India Pvt Ltd	58.85
Dunearn Investments (Mauritius) Pte Ltd	Mauritius	Zomato Media Private Limited	47.65
Plenty Private Equity Fund I Limited	Mauritius	Pvr Ltd	44.32

Table 1

Broadcasting Segments	FDI Cap	Entry Route
<ol style="list-style-type: none"> 1. Teleport (Setting up of up-linking HUBs/Teleports); 2. Direct to Home (DTH); 3. Cable Network – (Multi System Operators(MSOs) operating at National or State or District level and undertaking up-gradation of network towards digitization and addressability 4. Mobile TV 5. Headend-in-the-Sky Broadcasting Services (HITS) 	100%	Automatic
Cable Networks(Other MSOs not undertaking up-gradation of network towards digitalization and addressability and Local Cable Operator (LCOs))	100%	Automatic
Terrestrial Broadcasting FM (FM Radio), subject to such terms and conditions, as specified from time to time, by Ministry of Information and Broadcasting, for grant of permission for setting up of FM Radio Stations.	49%	Government
Up-linking of ‘News & Current Affairs’ TV Channels”	49%	Government
Up-linking of ‘Non-News & Current Affairs’ TV Channels, Downlinking of TV channels	100%	Automatic



Fiscal Incentives

In Budget 2015-16:

- INR 1000 Million has been allocated to encourage the growth of community radio stations.
- INR 5000 Million has been allocated for launching a pan-India programme named Digital India and a national rural internet and technology mission for services in villages and schools, training in IT skills and e-kranti for government service delivery and governance scheme.
- INR 1000 Million has been allocated for launching a programme to promote good governance.
- Basic custom duty on digital still image video camera with certain specification reduced to nil.
- Service-tax to be levied on service provided by way of access to amusement facility, entertainment events or concerts, pageants, nonrecognised, sporting events etc.
- To promote dissemination of information in localized content and provide a major push to the Community Radio movement in the country, the Government is providing 50% to 90% subsidy in North-Eastern states and 75% subsidy for other states, subject to a maximum limit of Rs. 7.5 lakhs towards setting up of Community Radio Stations in the country. (December 2016)
- Customs duty on wood in chips or particles for manufacture of paper, paperboard and newsprint has been reduced to 0% from 5%. (Budget 2016-17).

Ease of Doing Business initiatives

With a view to promote and facilitate film shootings by foreign film makers in India, **Film Facilitation Office (FFO) under the aegis of National Film Development Corporation (NFDC)** has been set up to **allow single window clearances**. FFO Units are **located within the NFDC premises at Mumbai, Delhi, Chennai and Kolkata**.

E-Auctions

- **Government** conducted e-auction for the first batch of Private FM Radio Phase III in 2015 and received revenue of Rs 1103.51 crore (upto October, 2016) from winners of 96 channels in 55 cities.
- Government also received revenue of Rs. 1616.20 crore as Migration fee (upto November, 2016) upon migration of 225 Phase II FM Radio channels to FM Phase-III regime.
- Second batch of Private FM Phase-III e-auctions for 266 channels in 92 cities comprising 227 FM I channels in 69 new cities and 39 unsold channels in 23 cities of first batch began on October, 26, 2016 and concluded on 14.12.2016. 66 channels in 48 cities were provisionally sold at a cumulative winning price of Rs.200.24 crore against their aggregate reserve price of Rs.188.85 crore.
- In Phase III, license will be for 15 years as against 10 years in Phase II.
- FDI and FII limit in a private FM radio broadcasting company has been increased from 26% to 49% through Government route



Skill Development

- During FY2015-16 under the Pradhan Mantri Kaushal Vikas Yojana (PMKVY), a total of 13,272 candidates have been trained for various job rolls in the industry.
- As part of Government's initiatives to nurture talent amongst youngsters in North East, the Ministry has also approved setting up of a Film and Television Institute in Arunachal Pradesh similar to the Film and Television Institute (FTII) in Pune and the Satyajit Ray Film & Television Institute (SRFTI) in Kolkata. The Detailed Project Report for the proposed institute has been approved.
- Animation, Gaming and Visual Effects Industry: The government has announced the setting up of National Centre of Excellence in Animation, Gaming and Visual Effects (NCOE) . This premier COE is to be setup in Film City, Mumbai with a vision to develop training capacity for animation and gaming industry in India. The Government of Maharashtra has identified the land for the purpose and is currently processing the case for giving it on lease to the Ministry.

Other Initiatives

- The Ministry of I & B organized the 47th edition of the International Film Festival of India (IFFI) from 20-28th November 2016 . The 47th edition of IFFI under the Accessible India campaign (Sugamya Bharat Abhiyan) screened three films for specially-abled children with special audio described technology. This screening took place in collaboration with UNESCO and Saksham.
- Audio-Visual Co-production agreements have been signed with Italy, Germany, Brazil, UK, France, New Zealand, Poland, Spain, Canada, China and Korea. On April 5th 2017, the Cabinet Approved Co-Production Agreements between India and Bangladesh. Agreement with Australia and South Africa are also in pipeline.



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