

TRENDS AND POTENTIAL OF THE INDIAN ENTERTAINMENT INDUSTRY- AN INDEPTH ANALYSIS

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ABSTRACT:

The entertainment sector in India is poised for a compounded annual growth rate of 20% according to a recent KPMG report. The key factors that are driving the growth of the media and entertainment industry in India are the favourable demographics, growing literacy, increasing affluence, development of technology, government support and the growing interest in the Indian way of life. The never before seen growth in the sector has been the result of the growing number of television channels, FM radio channels, rising popularity of social media, growing demand for content from mobile operators which is expected to further increase with the growth of 3G services and innovations of technology. This has resulted in the availability of entertainment anywhere and at anytime at the touch of a button and has ensured wide spread reach of the industry. During the year 2010, the media and entertainment industry grew by 11 percent and recorded revenues of Rs.65,200 crore. The growth in advertising revenues by 17 per cent to Rs.26,600 crore, increase in subscription revenues, increasing variety of rich content coupled with the opportunity for its monetization and the government's thrust to digitization are expected to aid in the robust growth of the sector. This paper is an indepth analysis of the various components of the Indian entertainment sector, the current scenario and challenges in the print and electronic space, the growth opportunities and the future potential.

Keywords: Media, Entertainment, Digitisation, Convergence

INTRODUCTION

The entertainment sector in India is poised for a compounded annual growth rate of 20% according to a recent KPMG report. The key factors that are driving the growth of the media and entertainment industry in India are the favourable demographics, growing literacy, increasing affluence, development of technology, government support and the growing interest in the Indian way of life. Entertainment demographics (population in age groups that are the highest consumers of entertainment) are more acute indicators of the future of the entertainment business: North America has 65 million in that demographic, while China and India have almost 700 million. In India alone over the next 10 years, 40% of our existing population will come from this demographic. The corresponding figure for the US is just 15%. Aided by the large number of Asians in the West, Asian culture will make inroads into the West. The never before seen growth in the sector has been the result of the growing number of television channels, FM radio channels, rising popularity of social media, growing demand for content from mobile operators which is expected to further increase with the growth of 3G services and innovations of technology. This has resulted in the availability of entertainment anywhere and at anytime at the touch of a button and has ensured wide spread reach of the industry. During the year 2010, the media and entertainment industry grew by 11 percent and recorded revenues of Rs.65,200 crore. The growth in advertising revenues by 17 per cent to Rs.26,600 crore, increase in subscription revenues, increasing variety of rich content coupled with the opportunity for its monetization and the government's thrust to digitization are expected to aid in the robust growth of the sector.

LITERATURE REVIEW

Debshika Dutta (2009) pointed out that the recent alliance with big west entertainment giants like Walt Disney and Warner Group are surely taking Bollywood leaps and bounds ahead from its current time and also leading India to a platform where it would become the most favourable destination for many global production units of film sector. Certainly the opening of Indian film industry to Foreign Direct Investment is itself stepping into a larger and worldwide network. Nasreen Teher & Swapna Gopalan (2007), concluded that corporatisation, is creating an avenue for better practices bringing about an increased level of professionalism in business and accounting practices and opening up new avenues for this industry to earn revenues through advertising, co-branding and merchandising. In view of the changing landscape, the Indian Film industry will possibly witness certain notable trends over the next several years propelling it towards gaining recognition as a major player in the global market. Nasreen Teher & Swapna Gopalan (2007), opined that globalization of the film industry was not a completely new phenomenon; by penetrating virtually every society, the international spread of cinema resulted in films becoming the first globalized medium. Globalization intensified greatly after the 1960s, based not on colonialism but on economic and social ties between countries. Nilanjana Sensarkar (2010), stated that the issue of liability of internet middlemen gains significance in India due to its rapidly expanding information and communication industry and the unprecedented growth of its entertainment sector. The Indian Copyright Act, 1957 does not address the question of secondary liability for receiving, storing, or transmitting alleged infringing content. Thus, the focus shifts on the examination of the efficacy of India's Information Technology Act, 2000 and its proposed amendments clarify the situation to some extent. However, their outcome is muddled, with the government's policy objectives remaining ambiguous. The Indian entertainment industry's response has been to collaborate with its counter parts worldwide in the adoption of risk mitigation

strategies. Thomas L. McPhail (2010) pointed out that more than 50 per cent of Hollywood movies earn their revenues from abroad. Eighty per cent of MTV's audiences are from other countries and this percentage is expected to increase as the global economy continues to grow in size and importance.

REGULATION OF THE MEDIA AND ENTERTAINMENT SECTOR:

The media and entertainment sector comes under the purview of the Ministry of Information and Broadcasting which is responsible for formulation and administration of laws relating to media and entertainment. The sector also has to adhere to the provisions laid down under the Copyright Act, 1957, Cinema Exhibitions Rules and Entertainment Tax Regulations, etc., The film industry is monitored by the Indian Motion Picture Producers' Association (IMPPA), Film Television Producers' Guild of India, The Association of Motion Pictures and Television Programme Producers (AMPTPP) and The Film Writers Association (FWA).

FUTURE POTENTIAL OF THE SECTOR

Leading chambers of commerce such as FICCI and CII have identified entertainment as a fast growing industry. Revenues are projected to increase to \$15 billion in 2015 from \$6 billion currently. The global entertainment industry is projected to grow to Rs.2,35,000 crore in the next 10 years with nearly half of the revenues emanating from Asia. The PWC report prepared for FICCI forecasts an annual CAGR of 18% predicting the industry will touch Rs.1,45,000 crore on 2015. The KPMG CII study is more optimistic estimating the current industry size at Rs.22,200 crore and predicting that it will grow at 18% to touch Rs.1,51,500 crore by 2015. The following table shows the steady growth and future potential of the sector:

Table 1 Growth Potential of the Indian Media and Entertainment Sector

Year	Size of the Indian Media and Entertainment Industry (in Rs. Billion)
2007	516
2008	579
2009	587
2010	652
2011 (Projected)	738
2012 (Projected)	839
2013 (Projected)_	957
2014 (Projected)	1104
2015 (Projected)	1275

Source: KPMG Media and Entertainment Report 2015

CURRENT SCENARIO AND GROWTH POTENTIAL OF PRINT AND ELECTRONIC MEDIA

The following sections are a discussion of the current scenario, trends observed and the growth potential of the print and electronic media which are the vital components of the media and entertainment sector.

PRINT AND PUBLISHING

While in rest of world, the print media is facing a decline, the scenario is completely different in India with the industry growing at a steady pace. According to data from Ernst and Young, the newspaper market in India has grown at 13 per cent (CAGR) during 2005-2010 to US\$ 3.9 billion in 2010. The industry is expected to grow at a CAGR of 12 per cent between 2010 and 2013 to reach US\$ 5.9 billion in 2013.

The low penetration, growing affluence and increase in literacy levels as reported in the latest Census data and growth in readership, augur well for the growth of the industry. According to data released by the National Readership Studies Council, India has roughly 200 million magazine readers, is the second-largest newspaper market in the world, behind China; and the number of Indians ages 12 and up who read daily newspapers and magazines has risen from 216 million to 222 million over the last three years. The survey also found the country's literacy rate rose from 69.9 percent to 71.1 percent over the last year. Enthused by the growth opportunities offered by the Indian market as compared to the saturation in home market demand, many foreign publishing companies have set up shop in India including Playboy, Maxim, Cosmopolitan, Golf Digest, Good Housekeeping, the Harvard Business Review, Men's Health, CIO, Marie Claire, PC World and the Journal of Neurology.

FILM INDUSTRY

The Indian film industry is the largest in the world in terms of number of movies produced. The industry is quite old with the first commercially successful film produced in the year 1913.

The Indian film industry produces more than 1,000 films every year in 52 languages and over 3.7 billion tickets are sold annually. There are over 400 production houses in the country with 32 corporate houses in the business of film production. The film industry provides employment to over 60 lakh people and its current turnover is crossed Rs.12,000 crores for the year 2010. The turning point for the industry came in the year 2001, when the government according industry status for the film industry. The sector was earlier dependent on private film financiers who used to charge exorbitant rates of interest and there were also concerns regarding money laundering with many of the anti social elements getting involved in film financing. The granting of the industry status facilitated securing of finances from financial institutions at affordable rates and brought in the much needed transparency in the industry. Individual investors were the leading contributors to non-traditional film financing accounting for 64% of the corpus, followed by IPO's which accounted for 16% of finance. A new source of film finance is the TV broadcaster becoming an equity investor by buying TV rights in perpetuity from the film producer.

An interesting trend in the Indian film industry is the growing success of Indian movies abroad. Jodhaa Akbar released in the year 2008, was hugely successful in the overseas markets with collection of \$1.35 million in the opening weekend itself. Om Shanti Om collected over Rs.20 million in global revenues. In contrast to the scenario at the start of the century when majority of the movies that were released in India being foreign moves, now Indian movies are finding ready acceptance in foreign countries. Bollywood movies such as Dilwale Dulhania Le Jayenge and Kal Ho Naa Ho dealing with overseas culture have been a hit in India while movies produced by Indian film makers with the western audience in mind such as Bride and Prejudice, Monsoon Wedding, and Fire, Earth and Water have been successful in the Indian and Western markets. With the growing interest in Indian culture, spirituality, family system, etc., movies showcasing Indian festivals, rituals and customs are increasingly finding acceptance in the global markets. According to PwC, the industry is projected to grow at a CAGR of 12.4 per cent, reaching US\$ 3.65 billion in 2014 from

US\$ 2.03 billion in 2009.

Challenges Facing the Industry:

Development of the the Indian film industry sector hinges on addressing the following issues:

High Incidence of Taxes:

The indirect tax structure for the entertainment sector is distorted. The incidence of indirect taxes is debilitatingly high with the entertainment taxes varying from 40% to 70% of gross box office collections. Out of the earnings, after payment of taxes, 40% goes to exhibitors and the balance is shared between the distributor and the producer. Illustratively, a Rs.10 crore financing cost with a 50% entertainment tax needs a box office collection of Rs.50 crore for breakeven and Rs.60 crore for securing a 20% rate of return on capital. This cascading tax structure, discourages investment, enhances risks and leads to large scale evasion of taxes.

Piracy – The Killer Disease

Piracy is the killer disease of the entertainment industry. Piracy levels are estimated to be around 40% to 50% of the film trade and the film industry is losing Rs.300 to Rs.400 crore a year due to piracy. While piracy is a non-bailable cognizable offence under the Copyright Act, its enforcement leaves a lot to be desired, emboldening the criminals involved in the trade.

Low Screen Penetration

India has a low screen penetration as brought out in the following table:

Table 2 Low Screen Penetration in India

Country	Number of screens per million population
USA	121
Europe	81
India	13

According to a UNESCO study on cinema in India, there is a requirement of at least 20,000 screens as against the current figure of 12,548.

Service Tax Burden

Entertainment software production companies have been brought into the service tax net in the current budget and would have to pay 10% service tax. With the imposition of service tax, the industry was hoping that there would be some relief in the customs duty front on equipment required for digital production. But their hopes were belied.

The Blueprint For Growth

Addressing the above issues by undertaking the following measures will ensure the sustained growth of the film industry.

Transparent financing at reasonable rates

Though there has been some marginal activity by IDBI in film financing, the financial sector in India has not shown the required interest in film financing. Considering the industry's' huge requirements of finance and the future growth prospects, this is one sector which the financial sector cannot afford to ignore. Suitable models need to be developed to appraise the risk element and the financial system should devise ways and means of increasing exposure to the entertainment sector in a phased and safe

manner. Access to finance at reasonable rates is sure to act as a growth catalyst.

Professionally managed VC fund

Since film financing is a risky venture, the government can sponsor a VC fund that would invest in the Indian entertainment sector with professionals managing operations. The experience of countries like UK, USA, France and Australia which have provided subsidized financing to their country's entertainment sector is worth looking into.

Rationalization of Taxes

To curb tax evasion, taxes need to be brought down to around 15% to 20% from the current high rates. This would definitely reduce the incentive to manipulate revenues and ensure transparent functioning. Lowering of taxes would improve revenue realization through increased compliance and would definitely impart a growth momentum to the industry.

Curbing Piracy

Effective enforcement of the Copyright Act through strong anti-piracy measures is the need of the hour. Exemplary punishment should be meted out to violators so that it would act as a deterrent against any future tendency of deviant behaviour. The fact that piracy can be curbed to a great extent and fear instilled in the minds of the violators through strong legal measures and effective enforcement of regulations is proved by the recent experience in Tamilnadu. Heeding to the appeals from the TN film industry, the government imposed stringent penalties for violators and swooped down on piracy establishments bringing the violators to book. This resulted in losses due to piracy coming down to a great extent and the public returning to theatres, setting the cash registers ringing.

Investment in theatres and multiplexes

Multiplexes are just emerging in India and there is a great opportunity for investing in theatres and multiplexes. The government's move of allowing 100% FDI on the automatic approval route and extension of tax benefits have provided the required impetus to increase the theatre/multiplex penetration. For instance, PVR cinemas which currently has 142 screens plans to add another 100 screens in 2011-12, Cinemax is planning to expand its screens to 135 from the current 100.

THE INDIAN TELEVISION INDUSTRY

The Indian television industry is at an attractive growth phase with burgeoning channels and rich content. The sector which had only five channels in the year 1991, today has 550 channels with over 600 million viewers and was worth \$6.6 billion. 138 million households in India have television sets and the country is the third largest TV market in the world next only to China and the United States. The growth in reality shows and niche channels have contributed as well as benefitted from the growth of the industry. Considering the increasing number of homes with satellite connections, the industry is set for steady growth.

According to PricewaterhouseCoopers (PwC), the television industry is expected to grow by 12.9 per cent cumulatively over 2009-14. The maximum growth is slated to occur in 2010 (15.6 per cent), followed by 2012 (13 per cent). According to the Pitch Madison Media Advertising Outlook 2011, television's ad revenue is slated to grow by 20 per cent and will touch a total of US\$ 2804.3 million in 2011. The report also projects that TV will remain the highest grosser of revenues in 2011 too. It is expected to corner 45.7 per cent of the total ad pie this year, a further rise from 44.5 per cent in 2010.

According to a CII-KPMG survey – Indian Entertainment Industry : Focus 2010, TV is the most important component, contributing more than 60% of revenues. It is expected to drive the industry's growth well into the digital era, with the advent of new delivery systems such as direct to home (DTH) and interactive TV. Considering the fact that television is expected to account for almost half of the Indian M&E industry revenues, and more than twice the size of print, companies including Times Network, Sahara Group, AETN 18, Colors and newspaper company Matrubhumi are planning to launch television channels. To bring international movies into the Indian dressing room UTV world movies and NDTV Luminerie plan to air foreign movies to cater to different audience segments in the action, comedy, horror and setiment genres.

With regard to the market structure of the television industry the top four players are Star, Zee, Sun and Sony. The following table depicts the market share of the top four companies:

Table 3 Market Share of Top Four TV Networks

(Figures in %)

TV Network	Q1 2010	Q2 2010	Q3 2010
Star	15.21	17.69	17.89
Zee	14.93	14.09	14.82
Sun	13.32	13.95	13.97
Sony	9.93	10.17	9.16

Source: TAM Media

An interesting development in the television sector is the growing popularity of DTH services. The direct-to-home (DTH) market in India had 23.1 million active subscribers by the end of 2010, as per Media Partners Asia. This translates to 16 per cent penetration of television homes in India. The country is also poised to become the world's largest direct-to-home (DTH) satellite pay TV market by 2015, with a projected 70 million subscribers.

DTH space is attractive which is borne out by the fact that apart from India, in no other country is there more than two players. According to market reports around 37 million homes have gone digital in the year 2010 of which DTH has the largest share of 20 million homes. According to a study by Media Partner Asia, from 17 million in 2009, India's DTH subscriber base will grow to 45 million by 2014 and 58 million by 2020. Pay television is expected to become a \$18.5 billion industry in sales by 2014 and \$12.1 billion by the year end. The following table depicts the growth in the number of homes which have gone digital:

Table 4 Number of Digital Homes in Indian in the year 2010

Year	Million Homes
2007	2
2008	15
2009	18
2010	24

Source: Market reports

The reasons for the growth potential of the sector are:

(i) Growing trend of digitization which is expected to exert a positive influence on Digital cable, DTH and IPTV.

(ii) Due to the slow growth of internet penetration and broadband constraints, IPTV will take quite some time to catch up, leaving the market wide open for DTH operators.

(iii) The Conditional Access System (CAS) roll out has also had a positive impact on DTH, with 20 per cent of customers who were offered this facility having opted for DTH. When CAS is rolled out in the remaining cities, it is bound to further increase the number of DTH users.

(iv) Since a higher proportion of high end television sets have been sold in the year 2008-09 and 2009-10, and since the trend is expected to continue in the future, it augurs well for the DTH industry since many of the customers of high end TV sets generally opt for DTH.

CHALLENGES FACING THE INDUSTRY

The DTH sector faces a number of challenges which hamper the growth of the sector. They include:

High tax rates

Multiple levels of taxes are imposed on DTH players such as the license fee, VAT, excise duty, sales tax, corporate tax, service tax and entertainment tax. This high tax structure has eroded the profitability of the DTH players. For instance, Tata Sky which had a turnover of Rs.805 crore in 2009-10 reported a loss of Rs.1,152 crore which was higher than the Rs.860 crore loss incurred last year.

Large capital requirements

DTH is a capital intensive industry and is at a nascent stage in industry. Since infrastructure has to be set up from scratch only players with deep pockets can enter the industry.

Huge cost of promotions

With the intense competition witnessed in the sector, companies have to spend heavily on advertising and sales promotion to woo customers.

In the television industry another important space that has great potential but has not been fully tapped is the IPTV service. Though MTNL in collaboration with Aksh Optifibers was the pioneer in this space in India they have launched the service in only select locations in Delhi and Mumbai and even Reliance which came up with its IPTV has not met with adequate success. Since TV is the only major digital device that has been left out of the networking revolution commercial success of the IPTV venture will totally transform the viewing experience.

MUSIC

Film music has been the dominant revenue stream in the Indian music industry and continues to do so. Though other streams of music such as devotional, western, and pop music are becoming popular, film music is still the most popular segment in the music industry. With music being released much before the release of a movie, on an average the music sales contributes one fifth of the revenue from the movie and in many cases is the deciding factor for the success or failure of a movie. The music industry has been growing at a CAGR of over 25 per cent and its revenues are expected to cross

\$567.6 million by 2014 according to PWC estimates. The rapid increase in mobile penetration with Indian being the second fastest growing mobile phone market in the world, next only to China and the emergence of new technologies such as 2G and 3G has further increased the growth potential of the industry. Sensing the opportunity, Nokia and Saregama have launched their mobile stores in few centres in India and plan to expand them on a national scale. Apart from Nokia many players are set to open music stores.

RADIO

The annual growth of the radio industry is estimated at 28%. The size of the Indian radio industry was at \$171.38 million with 250 stations in the year 2009 and is expected to reach a size of \$360.32 million with over 700 stations by 2014. With regard to **FM radio**, 248 Channels were operational in the year 2010 and revenues to the government were to the tune of \$11.23 million dollars. In the satellite radio space, Worldspace India Private Ltd, a wholly owned subsidiary of Worldspace Asia Pvt. Ltd. Singapore is in operation. As far as community radio is concerned, after the liberalization of the sector in 2008, voluntary organisations have entered the sector which was hitherto reserved for the educational sector and currently 29 community radio stations are in operation. The Pitch Madison Media Advertising Outlook 2011 has estimated that the radio advertising industry would grow at a CAGR of 12.2 per cent during 2010-14, reaching US\$ 342.7 million in 2014 from the present US\$ 192.8 million in 2009.

ANIMATION

Animation is another area in the entertainment sphere where India has already made a visible impact. While the media and entertainment industry has been growing at a CAGR of 20 to 25 per cent, the animation industry has been growing at a CAGR of 30 to 35 per cent. The country is increasingly becoming an attractive destination for 3D animation content especially outsourced content. An half hour 3D CGI animation TV episode which would cost \$1,70,000 to 2,50,000 would cost only \$50,000 to \$70,000 in India. Since manpower costs constitute the major cost of the animation section and they are considerably low in India, the country has emerged as an important destination. The following tables depict the manpower cost and the billing rates per minute.

Table 5 Cost Structure of Animation Industry

Type of Cost	Proportion of Cost
Manpower	50 to 55%
IT Infrastructure	25 to 30%

Table 6 Billing rates per minute

Type of work	Rate/minute
2D Animation work	\$2000 to 5250
3D Animation work	\$4500 to 7000
Complex 3D Animation	\$12,000

In 2009 alone 11 new animation TV series projects have come to India, 9 from US and 2 from Europe. DQ Entertainment, Toonz animation, Paprikaas animation and Crest Communications have all received jobs from abroad for producing 3D animation films. Currently DQ Entertainment is the largest animation service provider in Asia with more than four thousand employees working for them.

The opportunities for Indian animation includes feature films, ads, gaming etc.,. In fact, ad films having relatively smaller base grew at a rate higher than 300%. The major competitors to India are China, Philippines, Korea, Taiwan and some East European countries. Another distinct area of opportunity is visual effects. The size of the domestic VFX market for both feature and ad films is Rs.1,000 millions and VFX for TV programs would be around Rs.50 to 100 million. An emerging opportunity in this area would be digital restoration and colouring. A shining example is the 1960's Mughal – E – Azam which was re-coloured by Chennai based firm, Iris Interactive. Due to the increased inflow of outsourced animation production services projects to India around 40 to 60 new studios have been set up between 2007 and 2010.

An interesting trend that is witnessed in the animation space is that foreign companies which were outsourcing their projects to India have set up subsidiaries in the country enthused by the high quality talent and the low cost of production. Sony has set up Imageworks in Chennai and the company works on visual effects and character animation. DreamWorks Animation has formed a strategic alliance with Technicolour and Turner International is scouting for sites for setting up shop. The greatest challenge facing the industry and which is set to accentuate further is the dearth in quality and qualified talent. The government and corporates need to set up more animation training institutes to ensure assured flow of talented professional to drive the growth of the industry.

According to a study by Andersen Consulting, India's animation industry (domestic and exports) will touch USD 2 billion and create employment for around 3 lakh professionals including content developers and animators by 2008. Today we have only 15,000 trained professionals. India has the largest number of technologists in the world today and also the highest number of trained entertainment technologists. If their skills are combined, then the opportunity to capture the market and generate employment is enormous.

KEY EMERGING TRENDS:

- (i) Growing importance of the regional markets. Taking cognizance of the potential of regional markets many national and foreign media companies have are today developing content for the regional audience.
- (ii) Increasing media penetration.
- (iii) Growing per capita consumption.
- (iv) Change in media consumption patterns with visible shift towards new media.
- (v) Prominent growth of digitization. Film studios saw greater adoption of digital prints over physical and it was the first time in India that digital music sales surpassed those of physical units.
- (vi) Growing diversity of distribution platforms such as digital, non-digital and mobile.
- (vii) New technologies such as 3G provide better customer experience and also enhance opportunities for companies to monetize content.
- (viii) Major Hollywood studios like Viacom, NBC, Universal, Dream Works, besides Warner Bros., Sony and Disney have already made sizeable investments in India's entertainment sector while Warner Bros., for example, recently called off a deal it had signed with a Chinese production firm.
- (ix) Social media has gained significant popularity as a marketing and gaming platform. Social media offers advertisers and content owners the ability to directly connect with their

- consumers/audiences. Businesses are now beginning to understand the power of this tool and integrating it into their core marketing plan to reach out to their target audience."
- (x) Higher proportion of Indian movies are released globally. Growing number of cross over films are released with an appreciable success rate. Film makers engage actors from other countries to provide an international feel for their movies. Recent instances are Rachel Shelley in Lagaan, Giselli Monteiro in Love kaj Kal, Barbari Mori in Kites and Chris Patten in Rang De Basanti.
 - (xi) Indian movies are increasingly becoming popular in foreign markets. Film makers are today targeting a much wider audience with their offerings. The increasing number of Indian diaspora, growing popularity of Indian culture and the Indian way of life among foreigners has contributed to the better acceptance of Indian movies in foreign markets. While movies in the Hindi language have a global audience, the recently released Tamil movie, 'Robot' was also released on a global scale and found many takers.
 - (xii) With growing revenues, the global entertainment companies see a lot of value in India which is very evident from the various deals that have been signed in a short span. Recent deals include Viacom Inc's venture with India's TV18 Group, News Corp's regional content deal with Balaji Telefilms and Disney's purchase of UTV Software's Hindi-language children's channel
 - (xiii) Due to media clutter and the consequent fragmentation of media audiences, the media and entertainment industry is opting for the niche format. Considering the high TRP ratings of entertainment news, a new channel, E-24 has been launched exclusively catering to Bollywood news, there is NDTV Good Times and Zoom for life style related content, Meow from Radio Today which the first radio channel exclusively devoted to women and the recent announcement of television channels exclusively devoted for food and beverages is a pointer to this trend.
 - (xiv) There is growing concern among the entertainment industries worldwide regarding the role of online service providers in safeguarding their copyright materials in the user uploaded content world.

CONCLUSION:

With the low cost structure and availability of talented and skilled manpower, India can replicate the success achieved in the IT industry as the preferred destination for outsourcing in the entertainment sector also. Governments over the years have ignored the potential of using the audio-visual medium as an instrument of state policy. Capturing international mind space ensures better acceptance of other Indian products and services, promotes tourism and enhances the awareness of the nation and its capabilities. The time is ripe for building on the Indian strength of IT and Audio-Visual which are increasingly converging.

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