

## GIST OF YOJANA

### Media & Entertainment Sector

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## CHAPTER 1: INDIAN MEDIA AND ENTERTAINMENT INDUSTRY

India's M&E industry is among the fastest-growing globally, driven by **affordable internet**, **rising incomes**, and **rapid digital adoption**. It is witnessing increasing **Average Revenue Per User (ARPU)** and expanding content volumes.

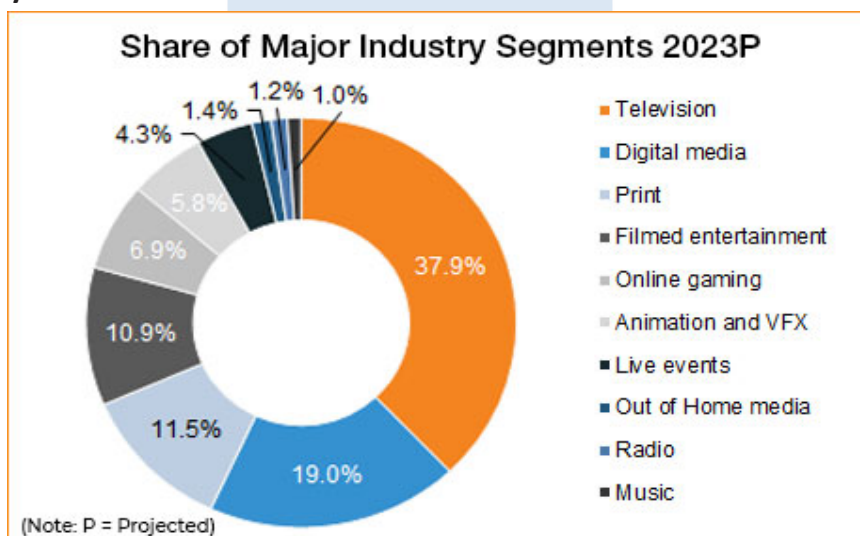
- As per the **FICCI-EY report**, India's **advertising-to-GDP ratio** is expected to rise from **0.38% (2019)** to **0.4% by 2025**.

### INDUSTRY SIZE AND GROWTH PROJECTIONS

- Projected to grow at **10% CAGR**, reaching **Rs. 3.08 trillion by 2026** (from **Rs. 2.55 trillion in 2024**).
- Traditional media** (TV, print, radio, etc.) contributed **57% of 2023 revenues**; **print media** expected to grow **8–10% in FY25** (ICRA).
- Video market** (TV + digital): Forecasted to grow from **US\$ 13 billion (2023)** to **US\$ 17 billion by 2028** (Media Partners Asia).

### KEY SEGMENTS AND DIGITAL SURGE

- Advertising**: Projected at **Rs. 330 billion in 2024**, with **TV and digital ads each contributing 38%**. India ranks **8th globally** in ad spend and is the **fastest-growing** among the top 10 markets.
- OTT & Video Streaming**: Growing at a **CAGR of 14.1%**, the segment is expected to reach **Rs. 21,032 crore by 2026**. India had **481.1 million users in 2023**, including **138.2 million paid subscribers** and **130.2 million SVOD accounts** (2022). Revenues from international users on Indian OTT platforms surged by **194% over two years**.



- AVGC Sector (Animation, VFX, Gaming, Comics)**: Expected to grow at **~9% CAGR**, reaching **Rs. 3 lakh crore by 2024**. **Animation and VFX** alone are projected to grow from **US\$ 1.3 billion (2023)** to **US\$ 2.2 billion (2026)** (CII GT report), increasing their share in the M&E industry from **5% to 6%**.
- Online Gaming**: The **4th largest M&E segment**, India's online gaming market is projected to reach **US\$ 7 billion by 2025**. The country had **455 million gamers in 2023**, expected to rise to **491 million in 2024**, with **90 million paying users**. Revenue stood at **US\$ 3.8 billion in FY24**, marking a **23% YoY growth**. **Mobile gaming time** increased by **20% in Q1 FY24**.

### OTHER NOTABLE SEGMENTS

- Digital Media**: Projected to generate **US\$ 10.07 billion in revenue in 2024**.
- Smart TVs & Short-form Videos**: India is expected to have **40–50 million connected smart TVs by 2025**. Around **600–650 million users** are consuming **short videos** with an average daily viewing time of **55–60 minutes**.

- **Music Streaming:** Set to grow from **US\$ 180 million (2019)** to **US\$ 445 million (2026)**. India had **185 million listeners in 2023**, but only **7.5 million** were paid subscribers. Major platforms include **Gaana (30%), Spotify (26%), JioSaavn (24%),** and **Wynk (15%)**.
- **DTH Services:** Estimated to grow from **US\$ 6.48 billion (2023)** to **US\$ 7.59 billion (2029)**, at a **CAGR of 2.8%**.

## INVESTMENTS & DEVELOPMENTS

- **FDI Inflows:** Totalled **Rs. 99,096 crore** in the **Information & Broadcasting sector** from **April 2000** to **September 2024**.
- **Private Equity/Venture Capital Investments:** Declined by **84% YoY** to **US\$ 575 million** in **2023**. **Q3 CY23** recorded **8 deals** worth **US\$ 269 million**.

## GOVERNMENT INITIATIVES

The Government of India has taken several regulatory and institutional steps to support the structured and ethical growth of the Media & Entertainment (M&E) industry:

- **FM and Radio Expansion:** Prime Minister commissioned **100W FM transmitters at 91 locations** (April 2023). AIR's reach extended to **615 transmitters**, covering **73.5% of the population**.
- **International Promotion:** India showcased its AVGC capabilities at the **Annecy International Animation Festival** in France (June 2023).
- **Regulatory Reforms:**
  - **TRAI** is seeking to fast-track its recommendations to the Ministry of Information and Broadcasting (MIB) to catalyze broadcasting sector reforms.
  - The **Cable Television Network (Amendment) Rules, 2021** introduced a three-tier grievance redressal mechanism for citizens concerning TV content.
  - The **Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021**, notified on **February 25, 2021**, established a progressive regulatory structure for digital media, covering news publishers and OTT platforms through a three-layer grievance redressal system.
- **Institutional Developments:**
  - The government is working to establish a **National Centre of Excellence for Animation, Visual Effects, Gaming, and Comics (AVGC)** in Mumbai. This announcement was reiterated in **November 2021**.
  - The **Indian Broadcasting Foundation (IBF)** expanded its mandate in May 2021 to include digital and OTT platforms, renaming itself as the **Indian Broadcasting and Digital Foundation (IBDF)**. IBDF is also tasked with setting up a **Self-Regulatory Body (SRB)** under the 2021 IT Rules.
- **International Cooperation:**
  - India and Canada signed an **audio-visual co-production agreement**, allowing producers in both nations to collaborate on creative content and cultural exchange.
  - **Prasar Bharati and PSM Maldives** signed a cooperation agreement in **February 2021** for capacity building in broadcasting.
- **Support for OTT and Digital Platforms:**
  - OTT platforms such as Netflix, Amazon Prime Video, Disney+ Hotstar, ZEE5, and Voot have endorsed a **self-regulation code** finalized in **February 2021** by the **Digital Entertainment Committee of IAMAI**, laying the foundation for responsible content creation.
- **Content Oversight Expansion:**
  - In **November 2020**, **OTT platforms**, films, web series, news, and current affairs on digital platforms were brought under the purview of the **Ministry of Information and Broadcasting**.

- **Ease of Filming:**
  - The **Film Facilitation Office (FFO)** under **NFDC**, in partnership with the **Ministry of Railways**, launched a **single-window clearance system** to simplify permission procedures for filming at railway locations.

## ROAD AHEAD

India's M&E sector is on a trajectory of high growth—**expected to outpace the global average**, driven by key structural and technological shifts:

- **Digital Adoption:** The roll-out of **5G and upcoming 6G planning**, especially in rural regions, is poised to revolutionize content consumption, opening new markets for advertisers and content creators.
- **Retail and E-Commerce Advertising:** The entry of new players in **food & beverage**, increased **e-commerce usage**, and exploratory campaigns by **domestic firms** are likely to fuel growth in retail advertisements.
- **Rural Expansion:** As urban markets saturate, **rural India** is emerging as the next frontier for M&E growth, supported by rising incomes, internet penetration, and digital literacy.

## CHAPTER 2: WAVES 2025

**WAVES (World Audio Visual & Entertainment Summit)** is a flagship global summit for the Media and Entertainment (M&E) sector, organized by the **Ministry of Information and Broadcasting**, Government of India.

- It brings together global industry leaders, innovators, and stakeholders to deliberate on challenges and growth opportunities, foster international cooperation, and shape the future of the M&E industry.
- A key initiative launched during the summit is the **"Create in India Challenge"**, aimed at encouraging innovation, entrepreneurship, and content creation within India's vibrant creative ecosystem.

## CREATIVE ECONOMY (ORANGE ECONOMY)

The **creative economy** is a knowledge-intensive sector encompassing industries that involve the **creation, production, and distribution of creative goods and services**. These include:

- Advertising, architecture, design, and fashion
- Performing arts, visual arts, and literature
- Film, music, publishing, and photography
- Software, R&D, and digital content

India's creative industry:

- Valued at **USD 30 billion**
- Employs nearly **8%** of the national workforce
- Hosts over **100 million content creators** as of 2023

## INDIA'S MEDIA AND ENTERTAINMENT SECTOR

- India has the **5th largest M&E industry globally** (after the US).
- Projected to grow to **USD 44.2 billion by 2028**
- A key pillar of India's soft power and digital economy, contributing significantly to employment, exports, and innovation.

## CHAPTER 3: UNLEASHING INDIA'S CREATIVE CAPITAL FOR ECONOMIC & CULTURAL RISE

India's Animation, Visual Effects, Gaming, Comics, and Extended Reality (AVGC-XR) sector is undergoing rapid growth, poised to become a global content creation powerhouse in the next 5–6 years. Government initiatives, a rich talent pool, and expanding digital infrastructure are felling this transformation.

## SECTOR OVERVIEW AND GROWTH POTENTIAL

- India currently houses **over 4,000 AVGC studios**, mainly concentrated in **Mumbai, Bengaluru, Pune, Hyderabad, and Chennai**, while smaller towns are also witnessing increased studio activity.
- With a foundation rooted in **India's rich cultural heritage, diverse art forms, and skilled artists**, the sector is increasingly being recognized for its potential in value creation and employment generation.
- The industry, growing at an **annual pace of 25–35% in some segments**, currently employs **2.6 lakh professionals** and is expected to **create 23 lakh direct jobs by 2032**.
- Revenue is projected to grow from the current **USD 3 billion to over USD 26 billion by 2030**. Although India's **current contribution to the global AVGC-XR market is just 0.5%**, government estimates suggest that it can capture **up to 5% (USD 40 billion)** by 2025, creating **1,60,000 new jobs annually**.
- Key job roles likely to emerge include **content developers, animators, pre- and post-production artists, pre-visualization artists, composers**, and more.

## CHALLENGES IN THE AVGC-XR SECTOR

- **Lack of Authentic Data:** The **absence of reliable data** on employment numbers, industry size, and educational institutions makes **policy planning and investment** decisions difficult.
- **Skill Gap in Education and Employment:** The sector demands a **highly specialized workforce** (animators, developers, designers, product managers, localization experts), but the **current academic curriculum lacks alignment** with industry requirements, leading to a **shortage of skilled professionals**.
- **Infrastructure Constraints:** **Inadequate training infrastructure** results in poor-quality instruction and **substandard workforce output**, negatively impacting the industry's productivity and growth.
- **Limited Focus on R&D:** There's a **deficiency in dedicated research narratives**, resulting in **low innovation** and a lack of academic inquiry into future trends in AVGC-XR technologies.
- **No Apex Academic Institution:** Unlike sectors such as engineering or design that have IITs and NIDs, **AVGC lacks a national-level institution** to guide academic excellence, innovation, and skill standardization.
- **Funding Limitations:** With **no dedicated fund** for promoting AVGC-XR, startups and innovators **struggle with access to capital**, slowing domestic production and technological innovation.
- **Weak Indigenous IP Creation:** Most of India's AVGC output is **outsourced foreign work**; there's a **lack of globally recognized Indian intellectual property (IP)**. To compete globally, **local content creation must be incentivized** through tax benefits and other concessions.

## GOVERNMENT INTERVENTIONS

- **Educational Integration under NEP 2020:** The **National Education Policy (NEP) 2020** integrates creative arts and design into curricula from **Class 6 onwards**, promoting early exposure to AVGC-XR skills. Already, **around 5,000 schools** (CBSE + state boards) have introduced **AVGC-XR learning**, with national rollout underway to make **animation a family-friendly, mainstream medium**.
- **Policy Framework and Task Force:** The **2022–23 Union Budget** announced an **AVGC Promotion Task Force** to recommend measures for strengthening domestic capacity and global positioning. Several states—**Karnataka, Maharashtra, and Telangana**—have implemented **proactive state-specific policies**, often in collaboration with industry bodies like **FICCI, ABAI, and SAIK** to drive tailored growth.

## WAY FORWARD

- **Skilling and Education Reform:** Continued emphasis on **skill development programs**, both formal (schools and colleges) and informal (vocational training), is essential. Courses must be tailored to actual **industry requirements**, preparing a **job-ready workforce**.
- **Academic-Industry Collaboration:** Stronger partnerships between **educational institutions and industry players** are crucial to align the curriculum with real-world needs. Initiatives such as **guest lectures, internships, and industry-backed projects** can bridge this gap.
- **Promotion of Local IPs:** India must **incentivize domestic content production** and support creation of **globally relevant Indian stories** to strengthen the country's soft power.
- **Establishment of a National AVGC Institute:** A dedicated national institute akin to IITs or NIDs should be established to promote **research, innovation, training, and incubation of startups** in the AVGC-XR domain.
- **Dedicated AVGC Funding Mechanism:** Government and private sector must collaborate to launch a **dedicated AVGC fund** that supports **startups, R&D, IP development, and infrastructure enhancement** through low-interest loans and grants.

## CONCLUSION

India's AVGC-XR sector represents a **confluence of digital innovation, cultural expression, and economic opportunity**. By addressing foundational challenges through **policy reforms, education overhaul, funding, and IP support**, India can emerge as a **global leader in AVGC content creation**, generating **employment, exports, and cultural capital** in the digital economy.

## CHAPTER 4: INVESTMENT OPPORTUNITIES IN MEDIA & ENTERTAINMENT SECTOR

India's Media & Entertainment (M&E) sector is at the cusp of a transformative era. Backed by a burgeoning digital economy, a young population, and supportive government policies, the sector is rapidly evolving into a dynamic investment landscape.

- With increasing FDI inflows and a focus on original content and innovation, India is poised to become a global content powerhouse.

## MARKET DYNAMICS AND GROWTH DRIVERS

India's M&E sector benefits from extensive digital penetration — with **971 million internet users** and **690 million smartphone users** — leading to widespread content creation and consumption. Entertainment has become the **fifth-largest category in monthly per capita consumption**, especially among the **377 million Gen-Z**, who contribute **48% of India's Out-of-Home (OOH) entertainment spending**.

India is:

- The **second-largest mobile gaming market (by downloads)**.
- Host to the **second-largest anime fanbase**.
- The **third-largest video market globally**.

In **2024**, **new media** and **OOH entertainment** contributed **41%** and **14%**, respectively, to industry revenues — underscoring their pivotal role.

## FDI LANDSCAPE AND INVESTMENT SCOPE

FDI limits range between **26% and 100%**, depending on content/activity:

- **100% FDI** is allowed in segments like **films, gaming, animation, VFX, and advertising**.
- Since **2000**, the sector has attracted **USD 11.5 billion in cumulative FDI**, primarily in film, print, and radio.
- The **new media segment** alone generated **Rs 876 billion in M&A deal value in 2024**.

## GAMING AND ESPORTS BOOM

India's gaming market:

- Valued at **USD 2–3 billion in 2024**, expected to reach **USD 9.2 billion by FY29** at a **20% CAGR**.
- **23 million new gamers** were added in FY24, bringing the total base to **590 million**.
- **Average Revenue Per Paying User (ARPPU)** rose from **USD 8 in FY20** to **\$22 in FY24**, projected to reach **USD 4.3 billion from IAPs by FY29**.

VC/PE Investment Trends:

- **\$1 billion infused in 2024**, a **25% YoY increase**.
- **Around 50 VC funds**, including **Sequoia, Accel, and Tiger Global**, have invested in Indian gaming startups.
- **Mobile gaming** accounted for **60%** of investments; **esports & real-money gaming: 30%**, **gaming tech: 10%**.

Global Partnerships:

- Major players like **Sony (India Hero Project)** and **Krafton (India Gaming Incubator)** have launched programmes to support Indian developers.
- Imports of gaming consoles/machines **doubled to USD 75.15 million in FY24** from **USD 37.64 million in FY23**.
- **Gaming arcades** now account for **48% of all indoor amusement centers (IACs)** in India.

## ESPORTS INVESTMENT POTENTIAL

India's esports market:

- Expected to grow from **USD 40 million in 2023** to **\$100 million by 2025**.
- Hosts **1.8 million players** and **20 professional teams** participating in global events like the **Commonwealth Esports Championship** and **Hangzhou Asian Games**.

Infrastructure Opportunities:

- High scope for investments in **athlete training, LAN gaming centers, esports cafés, and arenas**.
- State governments (e.g., **MP, TN, Kerala, UP, Bihar, Nagaland, Meghalaya**) are investing in soft and hard infrastructure to develop local esports ecosystems.
- Firms like **Krafton and Nodwin** are organizing **grassroots tournaments**, nurturing talent.

## ANIMATION & VFX: EMERGING CREATIVE POWERHOUSE

The **Animation & VFX** sector stood at **USD 1.2 billion in 2024**. Two major trends:

- Rise in **anime consumption** in India — the **2nd largest anime fanbase** globally after China.
  - Entry of global players like **Crunchyroll**.
  - New opportunities in **IP-related content, merchandising, and immersive experiences**.
- Rising domestic demand for **VFX in Indian cinema and advertising**:
  - **30% of big-budget Indian film budgets** now allocated to VFX.
  - Mid-budget films spend **~15%** on VFX.
  - Studios like **DNEG, Prime Focus, and Prana Studios** are working on global projects, including Hollywood.

## INFRASTRUCTURE AND AVGC POLICY PUSH

The sector demands **world-class infrastructure** to attract global players, similar to:

- **Dubai Media City**
- **Dutch Games Garden (Netherlands)**
- **SEF Arena for Esports (Riyadh)**

Several Indian states (**MP, Karnataka, Kerala, Rajasthan, Maharashtra**) are planning **AVGC parks/media cities** under their state AVGC policies — creating opportunities for **media firms, architectural firms, and PPP investments**.

## GOVERNMENT INITIATIVES & POLICY SUPPORT

Since **2022**, the Government of India has launched key schemes to incentivize the sector:

- **Central incentive scheme (up to USD 3.5 million)** for foreign companies producing/shooting content in India.
  - **16 films incentivized** so far.
- Formation of the **Inter-ministerial AVGC Task Force** (Budget 2022-23):
  - Aims to capture **5% of the global AVGC market (USD 40 billion)** and create **2 million jobs by 2030**.
- In **September 2024**, the Union Cabinet approved the **National Centre of Excellence for AVGC** in **Mumbai**, recommended by the Task Force.

## CONCLUSION

India's M&E sector is no longer confined to traditional entertainment. From mobile gaming and esports to animation, VFX, and out-of-home entertainment, the industry offers unprecedented investment opportunities. Robust digital infrastructure, proactive policy support, and a focus on IP creation are laying the foundation for India's emergence as a **global creative hub**. For global investors, the time is ripe to ride the wave of India's creative revolution.

## CHAPTER 5: PRESS IN INDIA' – GROWTH AND DIVERSITY OF PRINT MEDIA

The Indian print media industry has shown steady growth and resilience despite the rise of digital and social media platforms globally. The annual report '**Press in India**' by the Press Registrar General provides comprehensive data on registered newspapers and periodicals, reflecting the diversity and linguistic plurality of India's publishing sector.

- **Growth in Publications:** From 1.18 lakh registered publications in 2017 to 1.48 lakh in 2022-23, the print media sector demonstrates adaptability and ongoing demand. In 2022-23 alone, 2,318 new periodicals were registered.
- **Language Distribution:** Hindi dominates the print media landscape with over 57,000 periodicals by 2022-23 and the highest circulation (~20 crores). English remains second in number (~20,000 periodicals) but shows slight circulation decline, possibly due to digital shifts. Regional languages like Marathi, Urdu, Telugu, Gujarati, and Malayalam also show significant growth in circulation, indicating strong readership and a literate, informed public across states.
- **Regional Trends:** Uttar Pradesh leads in the number of registered periodicals (~21,660), closely followed by Maharashtra (~20,488). These states also have high rates of compliance in filing annual statements, reflecting a robust print media ecosystem.
- **Challenges and Closures:** Although some periodicals ceased operations (34 in 2022-23), the decline is minimal compared to previous years, indicating resilience amidst financial challenges and changing audience preferences.
- **New Publications:** Title applications remain high, with over 14,000 applications in 2022-23 and around 4,772 new titles approved, showcasing ongoing dynamism and entrepreneurial interest in print media.



