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Growth, Revenue and Development in
Indian Movie Industry.



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Forewords

The following thesis has been created as master's thesis in partial fulfilment of the requirements for the degree of Master's in Engineering and Management at Politecnico di Torino. For any further clarification about the topics presented below, please contact the author on the provided contact details.

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Abstract

This research explores the societal influence of the entertainment business in India in the decades after the country's independence in 1947. It demonstrates that the Indian entertainment business is segmented into several categories, including film/movies, television and media, radio, and print media. Bollywood, India's major film and the country's equivalent to Hollywood in terms of scale, mirrored Hollywood's preference for lighter complexion over darker skin and for portraying women in stereotyped roles devoid of agency. The Indian government also encouraged directors and producers to adopt simplified story lines that appealed to predominately rural audiences, rather than challenging widely held views, by restricting access to legal finance, pursuing selective censorship, and denying Bollywood cinema the kind of financial and infrastructural support seen in other developing countries.

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Chapter- 01

INTRODUCTION

1.1: Overview of India

Bharat is the official name for India. The name Bharat is originated from Emperor Bharat, a son of King Dushyant and queen Shakuntala, and comes from India's ancient history Puranas. Aryavarta was also known as Nabhivarsha, after Nabhi, the father of King Rishabha and grandfather of Bharata, according to Jain scripts. India has a rich history and has been ruled by various nations over the years. Then, whenever a new monarch arrives, India is given a new name.

India is the world's seventh largest country, with 29 states and seven union territories. Its borders, however, are shared with Pakistan, Bangladesh, Nepal, Afghanistan, Sri Lanka, and Myanmar also formed part of India. However, India as a whole was never ruled by a single king or empire, and the Northern and Southern kings were generally split. The Indian rupee (INR) is the country's currency. Iron, coal, limestone, barite manganese, bauxite, mica, thorium, diamonds, titanium, and crude oil are some of India's natural resources.

With its extensive coastline, landscapes, rich cultural sites, India has a lengthy history of ancient civilizations. According to figures from 2020, India's stable democracy is made up of 79.80% Hindus, 14.23% Muslims, 2.30% Christians, 1.72% Sikhs, 0.70% Buddhists, 0.37% Jains, and 0.88 percent other religions. India is a vast country with a diverse population that speak a variety of languages. There are 22 official languages that are used on a daily basis. Hindi, Assamese, Bodo, Bengali, Dogri, Gujarati, Hindi, Kannada, Kashmiri, Konkani,

Maithili, Malayalam, Manipuri, Marathi, Nepali, Oriya, Punjabi, Sanskrit, Santhali, Sindhi, Telugu, Tamil, and Urdu are among the languages spoken by Indians. Most of the Indians speak English. India offers the best education possible, including upper-level courses in health, science, and mathematics, among other subjects, with a diverse range of industries and supportive administrations, it is one of the most popular and appealing countries for strategic investment. The youth is the most important component. This country has a large young population, and these fresh minds are a powerful driver of demand and a plentiful source of employment. The main industries which are responsible for economic growth are agriculture, steel industry, iron with the manufacturing sector.



Figure 1 Representation of Geographical area of India

1.2 Political structure.

At present, the Republic of India has 29 federated states and seven centrally controlled union territories. In past before independence Indian itself does not have any political structure as it ruled by many kings each king has his set of rules and regulation to command his territory. When British taken Indian under their control from 18th century their operations are taken by using Westminster model to regulate the parliamentary system. After the independence with British government Indian started its new constitution by adopting British constitutional model. As Indian constitution passed and adopted by assembly on 26th November 1949. It took little more time to come into existence. On 26th January 1950, the constitution came into force. The Indian constitution offers the Indians to right vote after 18 years of age or older for citizens.

After the constitution came in force the government administration is split into two individual governments like central government and state government. Inter-state relations, foreign affairs, national security, posts and railways, national roadways, trade, and commerce are all responsibilities of the central government. It oversees rulemaking in the areas of commercial access, trade, investment, and defence, as well as financial services. Law and order, health, police, education, electricity, and water are all under the control of the state government.

1.3 Governmental size

Governmental and financial liberalization reforms in 1991, Indian financial system has grown multi fold and is one of the quickest-growing primary economies of the arena. The authorities of India have implemented many reforms within the recent times to reinforce up India's

monetary increase. It includes Efforts made in the direction of transparency in governance, liberalisation of foreign direct funding (FDI) norms, easing the fee for doing business, balance and predictable nature in tax decisions, different many reforms in the taxation and regulatory environment of the county. under are the list of pinnacle character tax charge. the taxation of education is 18 percent of GST, 30 percentage to the pinnacle corporate tax rate for domestic companies and 40 percent with foreign companies.

In the last three years, the government Indian had spent 27.1 percent of the country's GDP. Budget deficits have reached to 6.9% of GDP growth, with governmental debt at 69.8%. To support numerous sector reforms, the government of Indian has created various schemes initiatives such as Make in India, Skill India, Digital India, and Start-up India which aim to develop products from India itself not to depend upon external imports.

1.4: Indian economy and contribution of major states

India's economy has been a mixed economy with a lower middle-income level since independence. At the time of independence, India had literacy rate about 17% and a life expectancy of 69.42 years. India is more diverse in terms of linguistics, cuisine, geography, and religion, with a population of 1.39 billion people. It has the second-largest population in the world, with 17 percent of the entire population living in India. The country is located in South Asia and is the seventh largest in terms of land area. India's economy was a provider of raw materials to the export and import of finished products from other nations even from 18th century and the economy was mostly based on agriculture.

It was predominantly led by the Indian National Congress party from 1947 to 1991, following the end of British rule. Nehru was India's first prime minister, and his Congress party ruled for

44 years. With the help of Sardar Patel, a powerful deputy prime minister, Nehru began the economy of the country's foundation. Both aimed to create a self-sufficient economy and brought Indian businesses into the game. He governed several businesses, including Indian railways, mining, and the western education system, at the time. Under the new regime, Indian businesses flourished. Between 1950 and 1990, the income and growth rate was modest, at 1.3 percent.

The government changed the minimum age for marriage from 16 to 18 years old. There were macroeconomic crises in this country as a result of both domestic and external supply. The India-China war in 1962 and the India-Pakistan war in 1965 were both fought. Banks and significant industries were nationalized in the 1970s, resulting in a 98 percent top income tax and a 3.5 percent wealth tax. Indira Gandhi proclaimed a new policy to end poverty (Garibi Hatao policy) from 1969 to 1977, with plans for a providence for the poor. However, until 1983, the poverty rate did not decrease. From 1970 to 1980, the annual growth rate was 4.4 percent. Then, in 1990, it rose to 5.5 percent. India's main commercial partner in 1991 was the Soviet Union, which fell apart after the Gulf War, raising oil prices as a result of India's balance of payment crisis. India received \$1.8 billion in rescue funds from the International Monetary Fund (IMF) during the time.

The Indian government restructured in 1991 with a new economic liberalization program that focused mostly on restricting trade. They recommended investing in foreign trade after selling some non-profit businesses such as banks, airlines, and oil firms. Following it, several corporations, like Pepsi and General Motors, came to invest in India. In 1991, India's GDP grew at a constant rate of 5,86,212 crore rupees. The annual growth rate was high from 1991

to 1996, ranging from 1.057 to 7.55 GDP. That the next five years were crucial for increasing the number of industries.

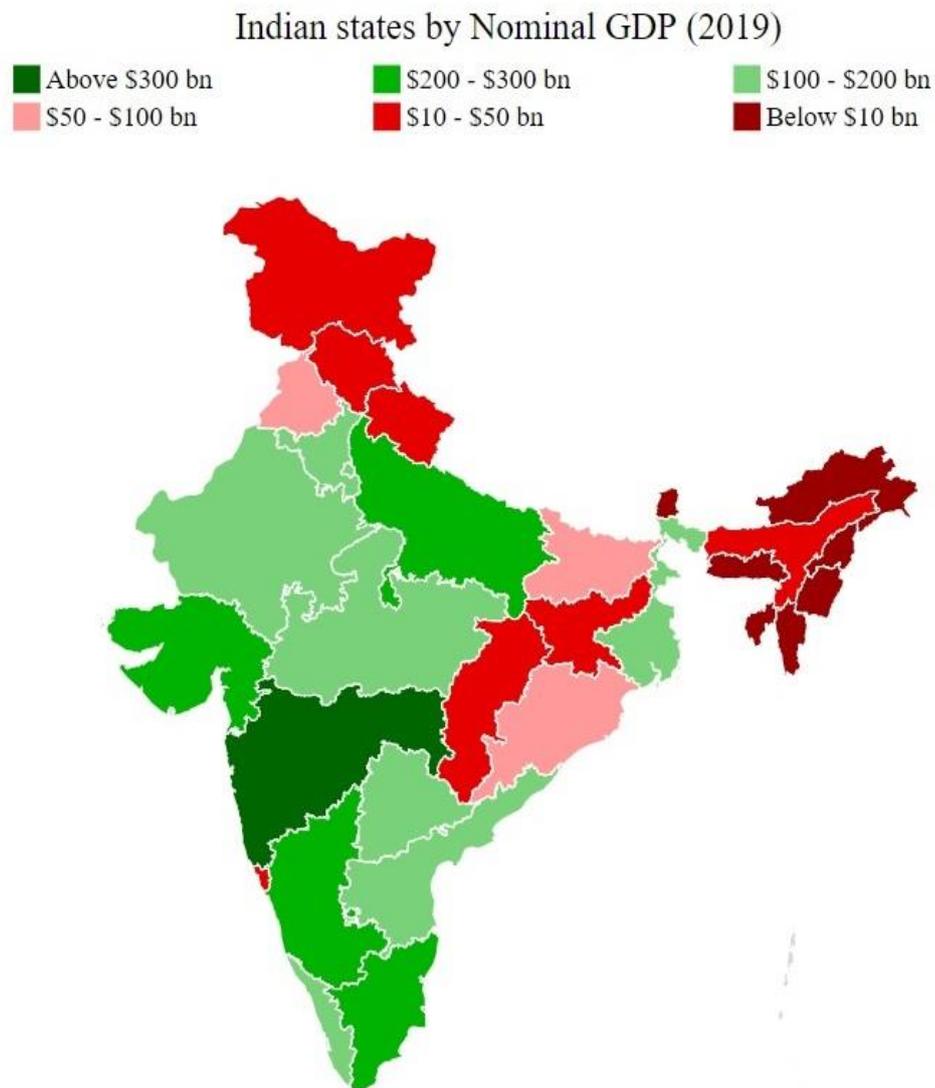
The first phase of expansion, from 1991 to 2003, was characterized by an annual average GDP acceleration of 5.4 percent. It was rapid worldwide expansion in the second period of high growth, from 2004 to 2008. President Bush and Indian Prime Minister Manmohan Singh agreed to work on civilian nuclear energy and outer space cooperation in 2005, and the United States passed the bill in 2008, but India's GDP was only \$3.08 billion at the time. Between 1997 and 2003, the Indian economy struggled, slowing to 5.7 percent GDP. From 2005 to 2008, GDP growth averaged over 9% per year. More issues arose in 2010-2011, including corruption, significant bank losses, and electricity theft, as well as a more specific environment and land clearances.

In 2015, India's new administration faced the most difficult challenges in achieving a 7.5 percent growth rate. As a result, India has improved the world's fastest-growing economy in order to compete with China. It is a more prominent computer software and business services sector to evolve the export sector, hauling \$110 billion in 2015 and growing by 7.5 percent in 2016. For decades, the automobile sector was fiercely protected, and India became a global centre for small car production and design. In 2016, the economy was subjected to a Gross Service Tax and demonstrations in order to establish money circulation. As a result, it has a direct impact on the economy in 2017, which is experiencing weak development. In 2019, the gross tax collection is \$168 billion, and the income tax is \$38.3 billion. In 2019, Indian companies raised \$114 billion to support 768 initial public offerings (IPOs). From 2000 to 2019, FDI equity inflows totalled \$436.4 billion, with a significant contribution from computer software and hardware, service, vehicles, commerce, construction, and telecommunications.

India collectively has 29 states, every state has its independent contribution to the development of the Indian economy is listed below. This data collected from the ministry of financial affairs India from 2018 to 2020. Maharashtra contributes 13.8%, Tamil Nadu contributes 8.59%, Uttar Pradesh 8.35% and Gujrat is 7.92%. These five states collectively contributed around 47% of total Indian economy. Five south Indian states Andhra Pradesh, Kerala, Karnataka, and Telangana contributes 30% of total GDP of India.



Figure 2: Growth rate of India's real gross domestic product (GDP) from 2016 to 2026 (compared to the previous year)



Growth rate of India's real gross domestic product (GDP) from 2016 to 2026 (compared to the previous year)

Figure 3: Map of representation of India's Nominal GDP by states.

❖ **Delhi (Capital of India)**

Delhi The National Capital Region (NCR) encompasses more than just New Delhi's central government offices. New Delhi's per capita income is roughly three times that

of the national average, giving the NCR a healthy client base. It accounts for a fourth of all FDI into India. It is also a significant hub that is home to a number of financial zones and industrial groups, including the Gurugram and Noida IT services centres, as well as the Faridabad and Alwar production hubs.



Figure 4: Geographical view of Indians capital city Delhi

❖ Maharashtra (capital city Mumbai)

The state of Maharashtra is India's second most populous district and its most economically developed state and Maharashtra represents as financial capital of Indian which deals well know Bombay stock exchange as a result, Maharashtra's Gross State Domestic Product (GSDP) increased by 9.42 percent annually over the years, and the district accounted for 27% of FDI inflows from until 2020.

❖ **Gujarat**

Gujarat is India's fifth-largest state economy, and the state's has good economic performance has mostly concentrated on infrastructure development, public service accountability, budgetary reduction, and reducing corporate laws. It has a per capita income that is 40% more than the national average, Gujarat is well-known for its traditional clothes, cuisine, and beautiful scenery. Gujarat is known for its Asiatic lions, the Rann of Kutch (White Desert), colourful handicrafts, festivals, and culture. This state has highest of 37 percent of FDI investments are placed.

❖ **Karnataka (Capital city Bangalore)**

Karnataka is India's most technologically advanced and rapidly rising state, where it complements India's innovative capabilities in ICT, healthcare, nanotechnology, and start-ups. It also works well with urban infrastructure, biological sciences, and water management. The state capital of Bengaluru is called as India's Silicon Valley, which is the world's fourth-largest technological cluster. It is third largest state to receive FDA investments of 13 percent.

❖ **Telangana (Capital city Hyderabad)**

Telangana, India's emerging state, has potential in biotech, health, and energy, financial services, and innovation, and is one of India's top economies with an annual growth rate of 9.5 percent per year for the past three years till 2020. If officer FDA investment

of 8.8 percent. It is, nevertheless, India's sixth largest metropolis and largest IT hub of India which also contains the headquarters of major corporations in world such as Google, Apple, Facebook, and Microsoft

❖ **Tamil Nadu**

Tamil Nadu is India's second most populous state, with the best economy and opportunities in industry, water supply, and urban infrastructure. Furthermore, the state is India's leading agricultural producer, with the greatest per capita income and the best health statistics. Chennai, the state capital and dubbed the "Detroit of India," is the heart of India's automotive and product manufacturing industry and one of the world's top ten automotive centres.

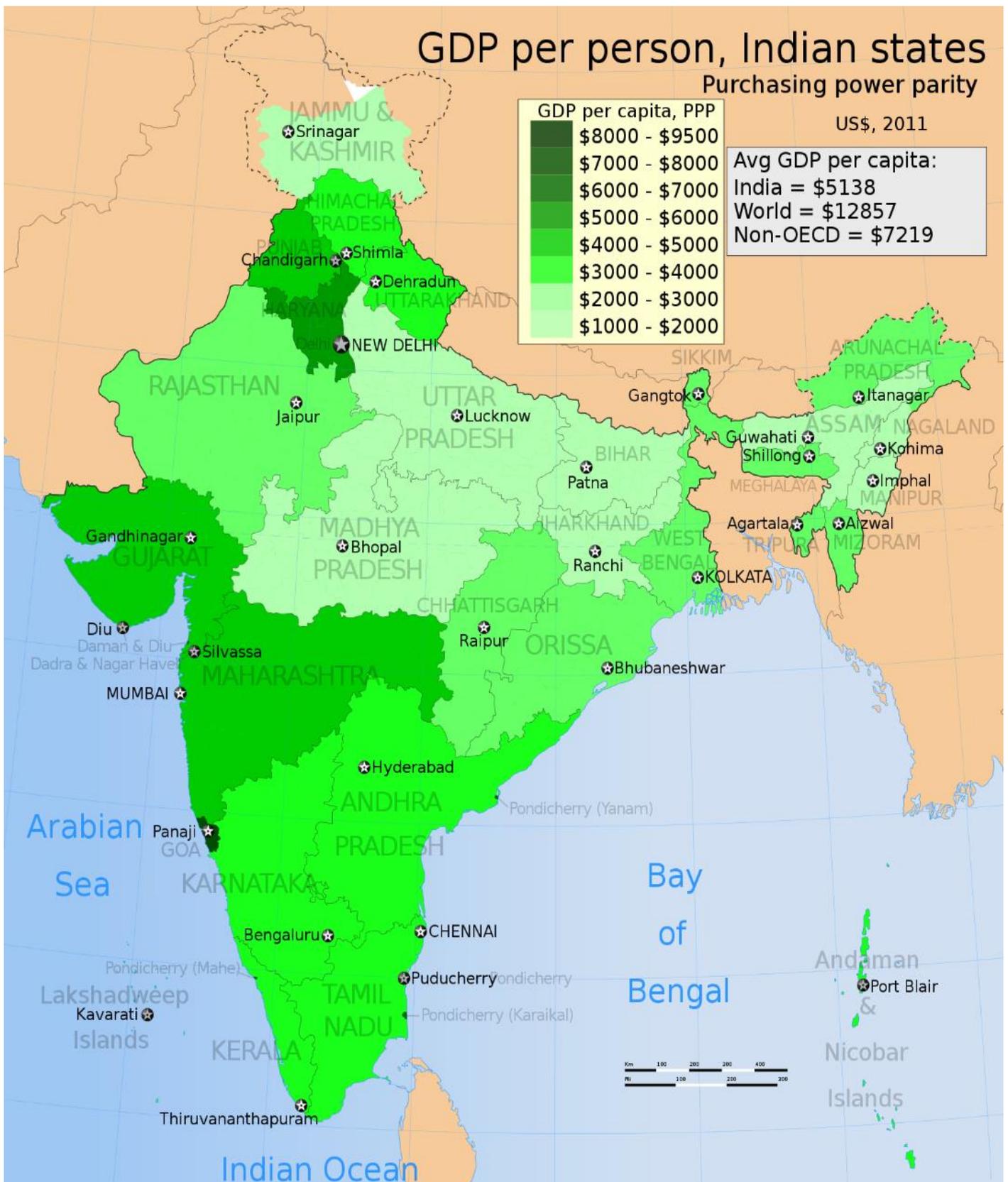


Figure 5: Map of representation of India's GDP Per person and states purchasing power.

Chapter- 02

DEVELOPMENT OF INDIAN ECONOMY

2.1 Gross Domestic Product (GDP)

According to the World Bank Group, annual GDP was 3.8 percent lower in 2000 than in 2003, peaking at 7.86 percent GDP in 2003. In 2008, the GDP was 3% lower than it was in 2007. It reached an all-time high of 8.4% in 2010 between 2009 and 2010. After that, from 2011 to 2016, it hit an all-time high of 8.17 percent. It has steadily fallen in the last two to three years, from 7.1 to 6.8 in 2017 to 2018. The GDP rate is expected to expand at a pace of 5% in 2019 and 6.8% in 2018.

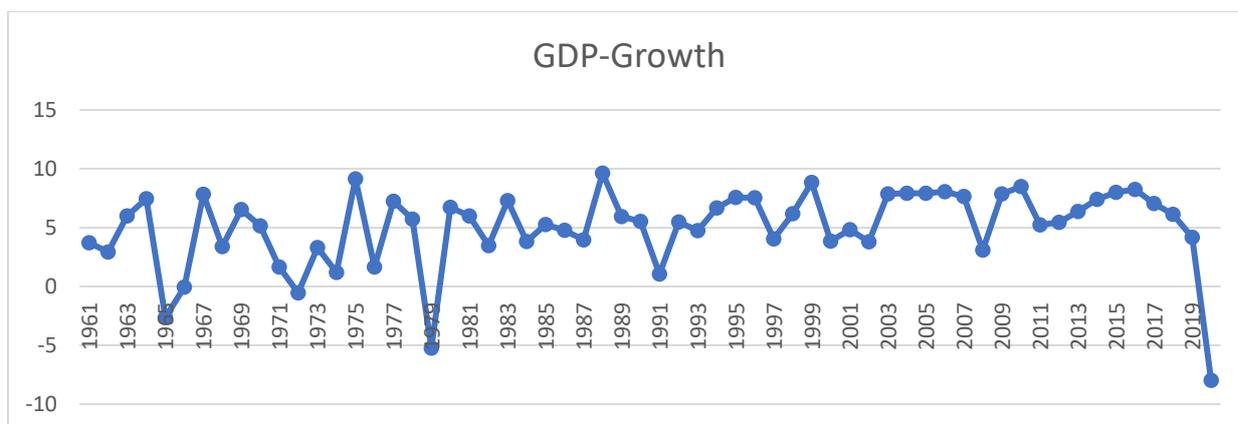


Figure 6: India's annual GDP growth rate from 1961 to 2020 in percentage.

Source: Data from the world bank org

India's GDP at constant prices was 4.94 percent in 2007, according to the ministry of statistics and program implementation, and it continued to grow at 9.8 percent in 2007. So, it fell by 3.8 percent in 2008, but then rose to a high of 10.26 percent in 2010. From 2011 to 2016, the GDP

constant price gradually increased from 6.6 to 8.2 percent, but from 2017 to 2020, it steadily decreased from 7.0 to 1.8 percent.

Monetary data of India

| Financial Year | 1990 | 2000 | 2010 | 2018 | 2019 | 2020 |
|--|--------|--------|---------|---------|---------|---------|
| GDP (current US \$ billions) | 320.98 | 468.39 | 1675.62 | 2718.73 | 2869.37 | 3050.12 |
| GDP annual growth (percent) | 5.5 | 3.8 | 8.5 | 6.8 | 4.18 | -7.97 |
| Inflation, GDP deflator (annual percent) | 10.7 | 3.6 | 10.5 | 4.1 | 2.9 | 4.8 |
| Agriculture, fishing, and forestry (percent of GDP) | 27 | 22 | 17 | 15 | 16.02 | 16.38 |
| Industry and value-added (Percent of GDP) | 27 | 27 | 31 | 27 | 27 | 28 |
| Exports of (goods and services by percent of GDP) | 7 | 13 | 22 | 20 | 18 | 13 |
| Import of (Goods and services by percent of GDP) | 8 | 14 | 27 | 24 | 21.14 | 40 |
| Gross capital formation (percent of GDP) | 29 | 27 | 40 | 31 | 29.67 | 31.2 |
| Revenue, Excluding grants (percent of GDP) | 23.14 | 26.36 | 23.70 | 25.04 | 26.54 | - |
| (+) Net lending/ (-) Net borrowing (Percent of GDP) | | | | | | - |

| | | | | | | |
|--|------|------|------|------|-------|--|
| | -3.4 | -3.8 | -3.5 | -1.9 | 16.92 | |
|--|------|------|------|------|-------|--|

Table 1: Overall performance and economic profile of India from 1990 to 2020.
Source: Data from the world bank group.

2.2 Inflation

The statistics from the 2019-20 economy survey was delivered in parliament by India's union minister for finance and corporate affairs. From 2018-19 to 2019-20, CPI (Consumer Price Index) inflation climbed from 3.7 to 4.1 percent. Inflation in the WPI (Wholesale Price Index) fell from 4.7 percent in 2018-19 to 1.5 percent in 2019-20.

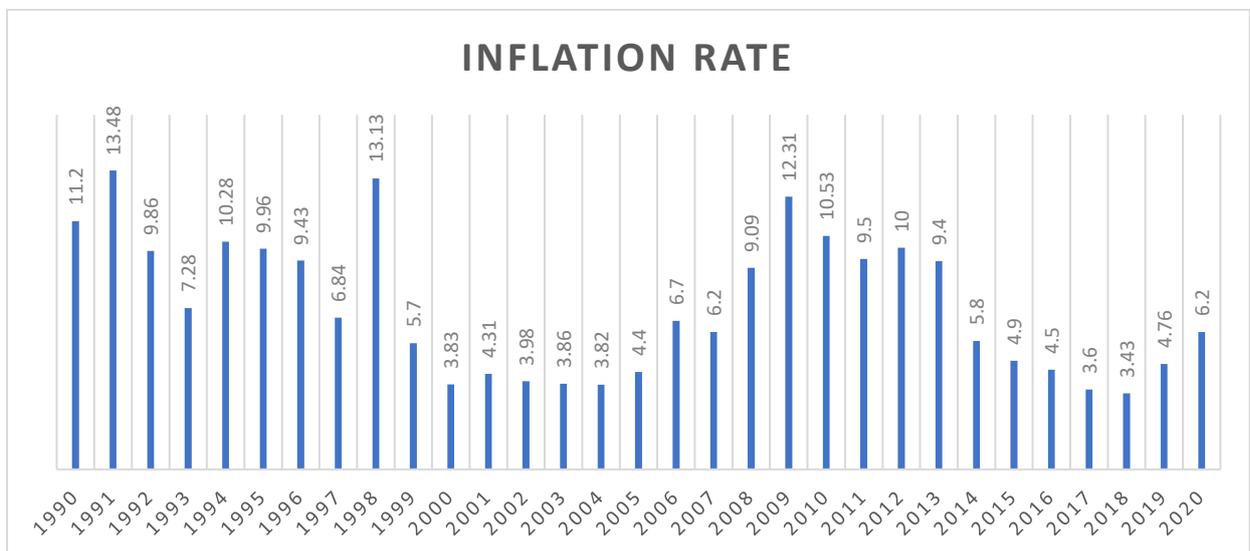


Figure 7: India's inflation rate by average consumer prices from 1990 to 2020 in percentage.

Source: <https://www.statista.com>

Inflation was expected to be 3.8 percent in 2000, based on average consumer prices. However, it continued to rise until it reached 12.31 percent in 2009. According to data from the ministry of statistics and program implementation, it has now reduced to 3.34 percent in 2020.

2.3 Employment

India features three of the world's largest start-ups, ranging in size from 8900 to 9300. By 2020, 1300 new businesses will have employed 160 to 170 million people. In 2015, the agriculture industry had the highest labour force, with 45.6 percent of the workforce employed. But after that, it continued to fall by about 1% per year, to 42.38 percent in 2019. In 2015, the industry sector employed 24.05 percent of the workforce, which climbed to 25.57 percent in 2019. The service sector is the most important, accounting for 30.26 percent of GDP in 2015 and rising by 2% in 2019. Overall, the industry and service sectors have grown in the last five years, causing the labour force to migrate to urban areas in search of work.

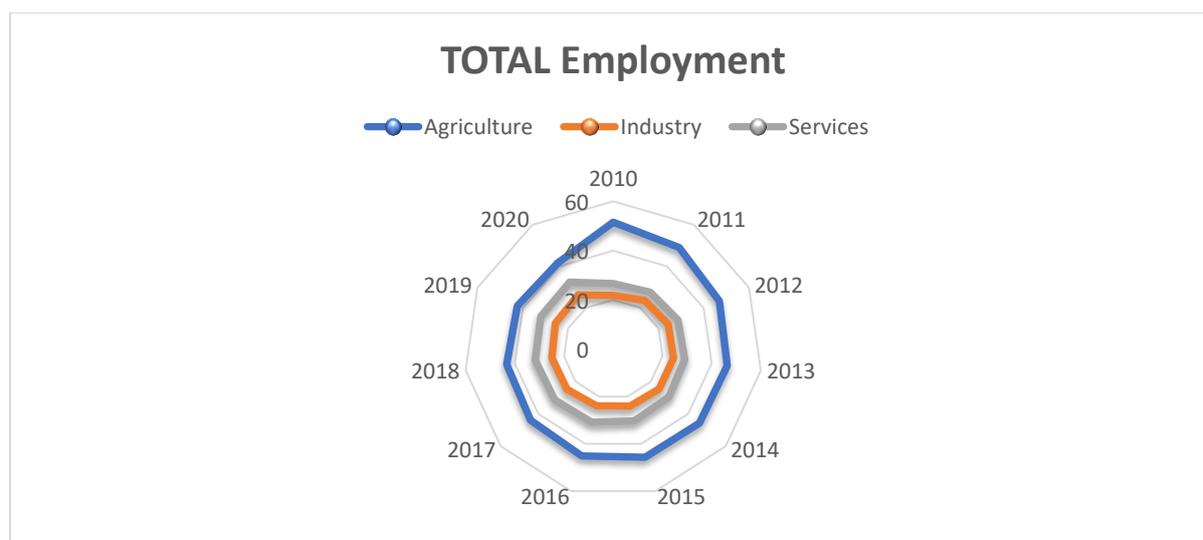
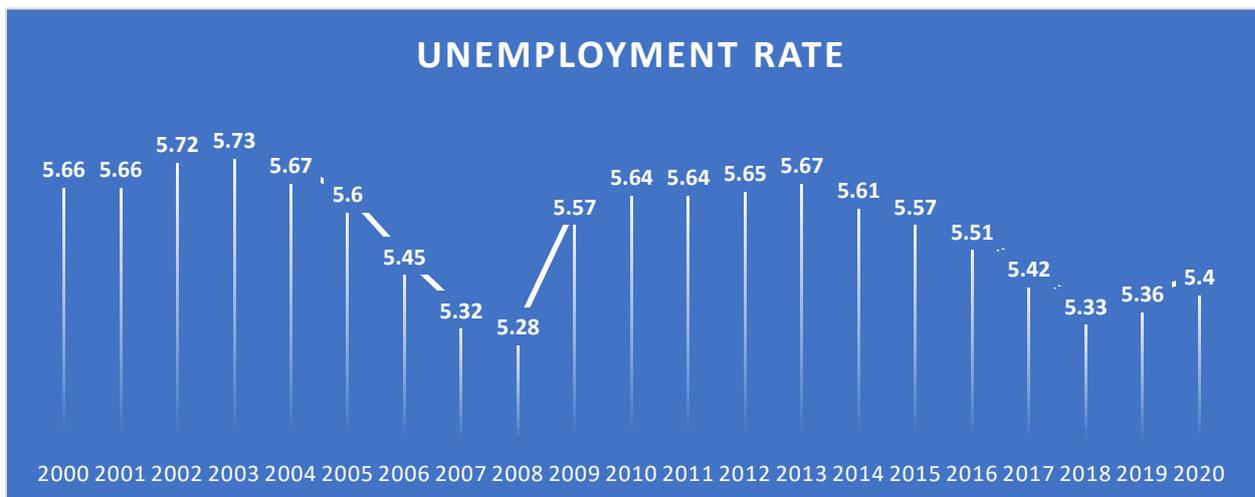


Figure 8: India's total employment by sector of agriculture, industry, and services from 2010 to 2020.

Source: Data from the Ministry of Statistics India

2.4 Unemployment impacts on the economy.

It is closely linked to the rising poverty problem, and the young generation would engage in unlawful and unsuitable activities for money in order to engage in high-level criminal activity in the country. Without a job, individuals lose faith in democratic values, and they become addicted to drugs, suicide, and alcohol, resulting in a loss of manpower for the country. For example, a 2% rise in unemployment causes GDP to fall by 4 percent.



According to figures from the World Bank, India's unemployment rate averaged 5.6 percent from 1991 to 2019. To begin with, we can see that the unemployment rate grew to 5.36 percent in 2019, up from 5.33 percent in 2018. The highest rate was 5.72 percent in 2003, and the lowest was 5.28 percent in 2008 and in 2020 it settled as 5.4 percent.

Figure 9: India's unemployment rate from 2000 to 2020.

Source: Data from the Statista.

2.5 Export & Import

India's total exports are expected to be \$263 billion in 2019-20, according to the Ministry of Commerce. In 2019-20, overall imports are expected to be \$403 billion, with total trade expected to be \$667 billion. The greatest amount of trade in 2018-2019 was \$844 billion dollars. In 2016-17, the lowest trade was the US \$658.

Electronic items will account for 32.81 percent of exports in 2020, medications and pharmaceuticals for 12.37 percent, petroleum products for 2.9 percent, organic and inorganic chemicals for 2.5 percent, cotton yarn for 2.21 percent, and handloom products for 2.21 percent. The United States of America, Japan, China, the United Arab Emirates, Indonesia, and the European Union are India's primary export partners. Gold accounts for 31.52 percent of imports, coal and coke for 24.41 percent, organic and inorganic chemicals for 11.98 percent, pearls and precious stones for 6.16 percent, and electronics for 4.66 percent.

2.6 Foreign Direct Investment (FDI)

According to figures from the Reserve Bank of India, India had Forex reserves of US \$ 476.09 billion and exports worth US \$ 491.64 billion in February 2020. Companies from other countries invest to take advantage of reduced salaries and tax breaks. In 2019, FDI equity inflows totalled \$36.8 billion, with \$6.52 billion invested in the service sector. FDI stock inflows are expected to be highest from Singapore at US \$11.65 billion, Mauritius at US \$7.45 billion, Netherlands at US \$3.53 billion, Japan at US \$2.80 billion, and the United States at US \$2.79 billion in 2019-2020.

Some significant corporations have recently expressed an interest in investing and have already done so, such as Amazon, which has set a \$1 billion investment objective in small and medium-sized firms with the goal of creating 1 million employments by 2025. Mastercard intended to invest \$1 billion in India in 2020 to boost research and development. In 2019, the French oil and gas company paid \$810 million for a 37.4 percent share in Adani Gas Ltd. In 2019, Reliance Industries, which has engaged in India's largest agreement with Saudi Aramco, would take a 20% interest for \$75 billion. In 2020, Facebook will buy a 9.99 percent share in Reliance JIO platforms for \$5.7 billion.

| S. No. | Financial Years | (FDI) Equity Inflow | Total FDI Inflow |
|--------|-----------------|---------------------|------------------|
| 1 | 2014-2015 | 29.74 | 45.15 |
| 2 | 2015-2016 | 40 | 55.56 |
| 3 | 2016-2017 | 43.48 | 60.22 |
| 4 | 2017-2018 (P) | 44.86 | 60.97 |
| 5 | 2018-2019 (P) | 44.37 | 62 |

data is provisional (Amount in the US \$ billion)

Table 2: Total FDI inflow of India by financial year.

Source: Reserve Bank of India (RBI).

From 2000 to 2019, FDI equity inflows totalled 456.79 billion dollars. According to investment share in FDI equity inflows, the United Kingdom (6%), Japan (7%), Mauritius (31%), Singapore (21%), the Netherlands (7%), the United States (6%), Germany (3%), Cyprus (2%), and the United Arab Emirates (2%). From 2018 to 2019, India had around 100 initial public offerings (IPOs).

2.7 Developing sectors of the Indian Economy.

Agriculture sector

Agriculture is India's most basic industry. It provides 14.6 percent to the GDP and employs 43 percent of the population. Wheat, rice, corn, tea, potatoes, sugar cane, cotton, and millet are the most common products. Agriculture, forestry, and fisheries have a gross value added of 8.8%, totaling \$266 billion in 2019. The industry is the sixth largest in the Indian food and grocery market, and the fifth largest in global food production. Agriculture's growth increased from -0.2 to 6.3 percent from 2014 to 2016, then fell to 2.8 percent in 2019. From 2013 to 2017, the contribution of GVA had fallen from 17.7% to 15.2%. Farmers' revenue would double, posing challenges in areas such as credit, investment, and insurance coverage.

Industrial sectors.

In 2019-2020, industry sector growth is expected to be 2.5 percent, compared to 6.9% growth and a 29.6% proportion of GVA in 2018-2019. It accounts for 26% of the country's GDP. The main source of energy is coal, which is the world's third-largest producer. The chemical industry is the world's second largest. As an index of industrial output (IIP), the industry sector is expected to grow by 0.6 percent in 2019-2020, following a 5 percent increase in 2018-2019. In 2019-2020, the major steel sector grew by 5.2 percent, compared to 3.6 percent in 2018-2019. In 2019, India has a total of 1.1943 billion phone connections.

Manufacturing sector

In comparison to previous years, the industrial sector has experienced rapid expansion. The “Make in India” program was introduced by Indian Prime Minister Narendra Modi to develop manufacturing centres throughout the country. It is anticipated to achieve its objective of becoming the world's fifth largest manufacturing country by 2020. By 2022, it aims to create 100 million employments with a 25% GDP share. In 2018, the industry employed 24% of the workforce.

With the Make in India program, India will be able to expand its economy because it has numerous hi-tech manufacturing businesses in the works, such as GE, HTC, Siemens, Toshiba, and Boeing. The purchasing power of customers will be increased as a result of these arrangements. During 2019-2020, the manufacturing industry is expected to grow at a rate of 2%. Tecnocap, based in Italy, recently announced a 75 percent stake in JV Tecnocap Oriental to enter India in 2020. Oriental is a packaging manufacturer with a joint venture to build a facility in Mumbai. Indian railways are also putting more emphasis on the Make in India initiative. It has a locomotive with a high-speed engine built by itself. The stronger Indian manufacturing sector is more intertwined with global trade, particularly foreign intermediate items for export. Manufacturing generates more jobs in India. As international corporations, India has the option to develop hubs.

The service sectors.

The service industry is the most important portion of the Indian economy, accounting for 49 percent of GDP and employing 32 percent of the workforce. With major exporter IT modernizing India, the software sector is growing export and import services. It is significant in the Indian economy since it accounts for 55 percent of total GDP growth, 23% of FDI inflows, and 38% of total exports. According to the Ministry of Statistics and Planning

Implementation, the sector's GVA remained moderate from 2018 to 2020, ranging between 6.9% and 7.7%. In 2019-2020, the service industry is expected to grow 6.9%, up from 7.5 percent in 2018-2019. In 2019-2020, the industry accounts for 55.3 percent of India's GVA. Trade, hotels, transportation, financial and real estate services, and communication and service are the key sub-sectors. In 2018, this sector's share of the market increased by 3.5 percent.

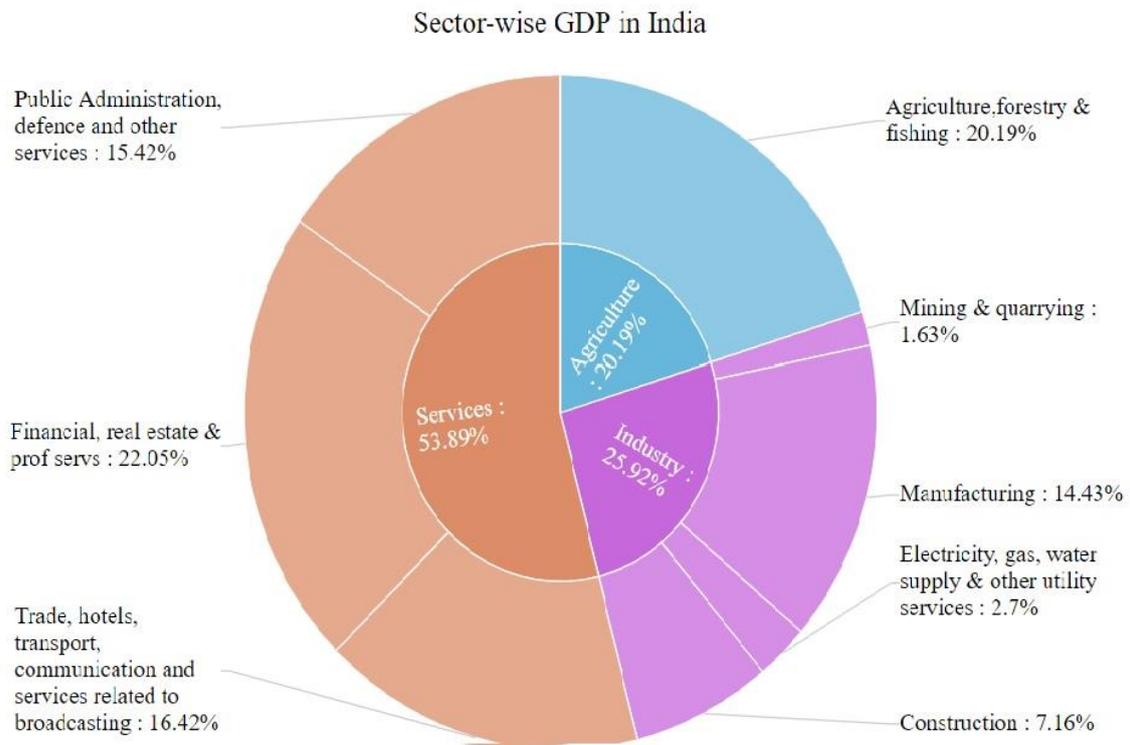


Figure 10: This graph shows sector-wise GDP growth of India in year 2020-2021

source: This data taken from statistical times & Ministry of commerce and Industry of (Government of India)

2.8 Strengths

India's major strength is its unity. With 28 states and 8 union territories, managing multiple languages and cultures is difficult. Because the birth rate is higher, it is a developing world powerhouse.

The young generation is benefiting from a well-developed educational system.

It helps to augment investment and saving to grow the future with a wide reservoir of superior manpower. It is a beautiful country with plenty of resources, thus its cost of living is lower than in developed countries like the United States. Indians in the United States may easily subsist on a minimal salary.

The advantage of market reforms to increase skills and education for more participating women in India's population. It contributes 7% of the world's gross domestic product (GDP).

It is a more suitable location for outsourcing. Because the British controlled India for 200 years, English is the official language, and the majority of people speak it. English, as a global language, is more appropriate for a business-like call centre.

The key strength is that there are multiple efficient, educated, young, high-skilled people from various geographical areas. Bollywood is India's film industry, which provides 4.5 billion dollars to the country's GDP.

The biggest benefit is technology. The Indian automotive market is the world's largest vehicle production, with the world's largest motorcycle industry. In this context, technology is providing a growing number of opportunities. The country has the most science and commerce graduates in India.

Food production in India is abundant, with the country ranking second in the world. It has the ability to produce more food. India is a global software industry hub that has generated cutting-edge technology in the IT sector.

2.9 developments

In order to create changes, it is necessary to improve the economy, which necessitates excellent governance. Mr. Narendra Modi, India's Prime Minister, has implemented several new economic policies in recent years, including the Goods and Services Tax (GST), Start-up India, Digital India, and Make in India. Many investments have been made in many sectors of the economy in this economic climate. In 2017, mergers and acquisitions totalled to \$77.6 billion, up 53.3 percent from the previous year.

Goods and Services Tax (GST):

In 2016, the major progression of GST rates was structured into direct and indirect tax in five slabs: 0%, 5%, 12%, 18%, and 28% tax rates. Income tax, registration fees, and stamp duty are examples of direct taxes. Central GST, customs duty, central excise, and VAT are examples of indirect taxes. The rates are applied on a slab-by-slab basis, with one tax for the entire country.

Food and other necessities are exempt from the 0% tax rate.

Products like mass-produced tea, spices, and coffee are all subject to a 5% tax levy. mustard oil, for example 12 percent tax rate includes food processed items.

Oil, toothpaste, soaps, smartphones, and other things are all subject to the 18 percent tax rate.

Automobiles, tobacco goods, vehicle components, cement, air conditioners, huge televisions, and other items are all subject to a 28 percent tax rate.

Demonetization notes:

In 2016, the Indian government announced the demonetization of Indian rupee 500 and 1000 currency notes, as well as the issuing of new notes through bank exchange in accordance with income tax regulations. The major goal is to eliminate counterfeit notes, restrict the flow of black money, and reduce human trafficking and terrorism financing. Following that, the government predicted that 3 lakh crore Indian rupees, or 20% black money, would be removed from circulation.

Digital India:

Digital India is a government of India effort established in 2015 to revitalize rural areas and connect digitally empowered people with knowledge of the future economy. Broadband highways, universal phone access, a public internet access program, e-governance, e-Kranti, IT for jobs, and an early harvest program are among the nine pillars. A digital locker, e-education, design, and a national scholarship program are all part of it. It had 1.3 billion people, 1.23 billion Aadhaar cards (digital biometric identity cards), 1.21 billion mobile phone subscribers, 446 million smartphones, and a 51 percent increase in online business in 2018.

Start-up India:

In 2016, the government announced the start-up India initiative, which will provide assistance in three areas: mentoring, finance, and industrial linkages. It is assisting in the evolution of electric mobility, charging infrastructure, and mobility services in order to expand prospects in new business models. The objective is to evolve 50,000 start-ups with a 12 to 15% growth rate

in 2018, making it the third largest ecosystem of start-ups in the world. It will boost economic growth and create a large number of jobs.

Make in India:

In 2014, India's Prime Minister issued a rallying cry for a "zero flaw, zero effect" strategy. The ultimate goal is to become a renowned manufacturing centre for the industry. Global corporations would be welcomed to invest and build industry in India so that the Indian people would have access to talented and experienced workers who could produce zero-defect products and help the country thrive economically India is quickly electrifying mobility in response to global market demand. The automobile industries and components are the focus of the Make in India program. To improve demand and development, an Indian consumer's purchasing power must be increased. The key target is for 17 percent of GDP to contribute to the economy, up from 25%.

2.10 Opportunities and Challenges.

Opportunities:

For millions of young people in India, there are economic prospects to support education, training, and employment. The working-age population has increased by 200 million to over 1 billion in the last two decades. Controlling red tape, making the best use of technology, building social infrastructure, digital India, pollution-free India, made in India, and job creation are all included in every sector of India's latest budget for 2020-2021. The Make in India program's industrial base and manufacturing export strategy will play a crucial part in strengthening India's theoretical position in the global market. Following the global trade war with China, the

Indian economy has an opportunity to compete as a second choice, particularly in the manufacturing sector, and India has the expertise and resources in IT and digital requirements. Infrastructure improvements in transportation and power networks are required for India's economic growth and government development. Because it has top producers in many agricultural items, India has the opportunity to gain a large market for agricultural products by lowering tariffs, upgrading warehousing, and cold storage. In order to attract investors from around the world, India's e-commerce and digital payment businesses are fast expanding. As a result, online business will benefit Indian businesses by allowing them to create more jobs in the e-commerce sector.

The Indian airline industry will expand airport capacity and aircraft, according to the economic assessment. By 2023-24, there will be over 100 operating airports and 520 new aircraft. As a result, advanced airports provide more job prospects.

Challenges:

The economy is doing well, but the obstacles remain the same. There are numerous obstacles to overcome in order to take advantage of future chances.

I. Population, Poverty level, and Health system.

The population is confronting poverty as a result of increased competition between the wealthy and the poor. Twenty-two percent of the population lives in poverty. Due to a lack of control over delivery and a lack of understanding among backward people, the birth rate is fast rising. Poverty is the most pressing issue in India, with 69 percent of the population living on less than

\$2 per day. It affects people in various ways, such as child labour, malfunction, lack of education, and the spread of hazardous diseases.

Health care must improve in order to provide large-scale training and high-quality treatment. For example, due to the coronavirus, more critical care is required for ventilators, sanitizers, masks, and scrub suits that are insufficient.

II. Development of skill and creation of jobs for future manpower.

In India, the unemployment rate is steadily rising. According to the World Economic Forum's report titled "The Future of Jobs 2018," the demand for skilled workers will increase in the coming years, necessitating reskilling to meet those expectations. Because of low productivity and a lack of human capital, skill development is a major concern. A large number of workers are low skilled. India is facing new problems in terms of health and living a sustainable existence, and worrisome levels of dangerous pollutants are being linked to global warming in India. There would be no pollution, a high quality of life, and a strong healthcare system.

III. Global warming impacts due to pollution.

Climate change has an impact on humanity's level of living; more than 600 million people experience water shortages, and 40% of the population will be without access to drinking water by 2030. Because of land degradation, loss of biodiversity, decreasing natural resources, traffic, and intensive building, pollution and environmental challenges are particularly difficult in India.

2.12 Forecasting of future growth scenario.

India's current account balance is depicted in the graph above. In 2014, the nation's economy shrank by 1.3 percent; however, the economy grew by 0.5 percent until 2016, and then shrank by 1.9 percent in 2017, indicating a significant loss for the country. GDP declined by 1.0 percent per year over the next three years, until 2020.

The graph above shows the GDP growth rate percent for the next five years, up to 2021. In 2017, the GDP growth rate was 7%; however, from then until 2020, the growth rate was reduced by 1% each year. Finally, starting in 2020, the GDP growth rate was boosted from 4.0 to 6.2 percent, indicating that the country's GDP is growing.

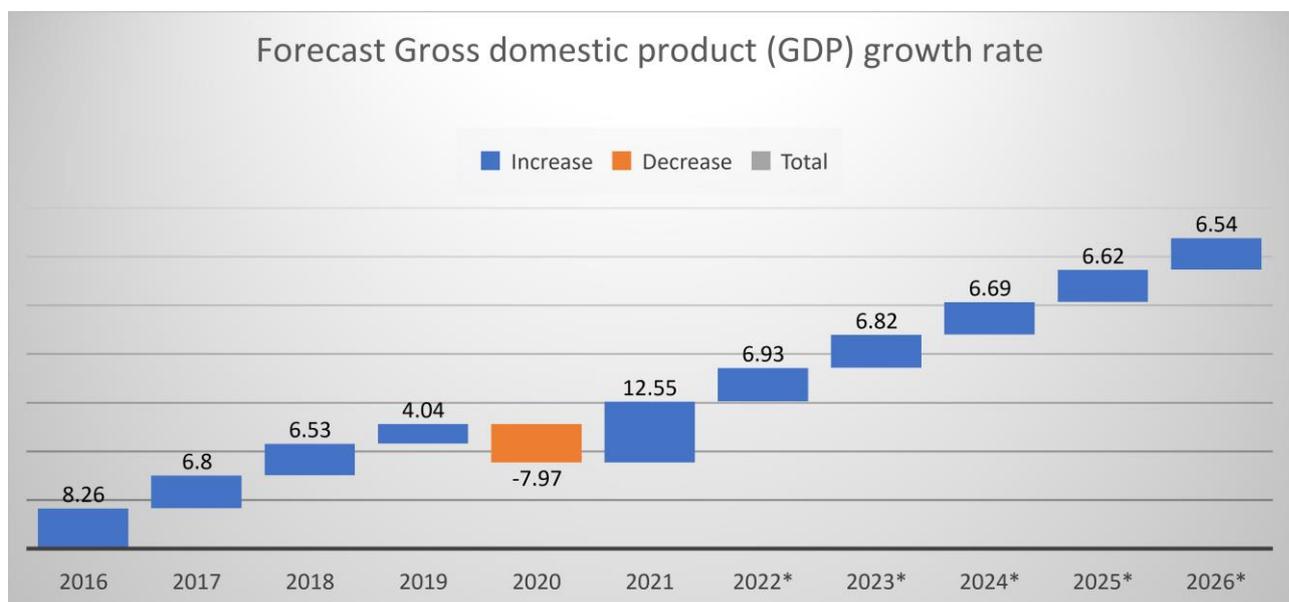


Figure 11: Forecasting India's GDP growth rate per percent at year wise.

Source: This data is collected Statista 2020

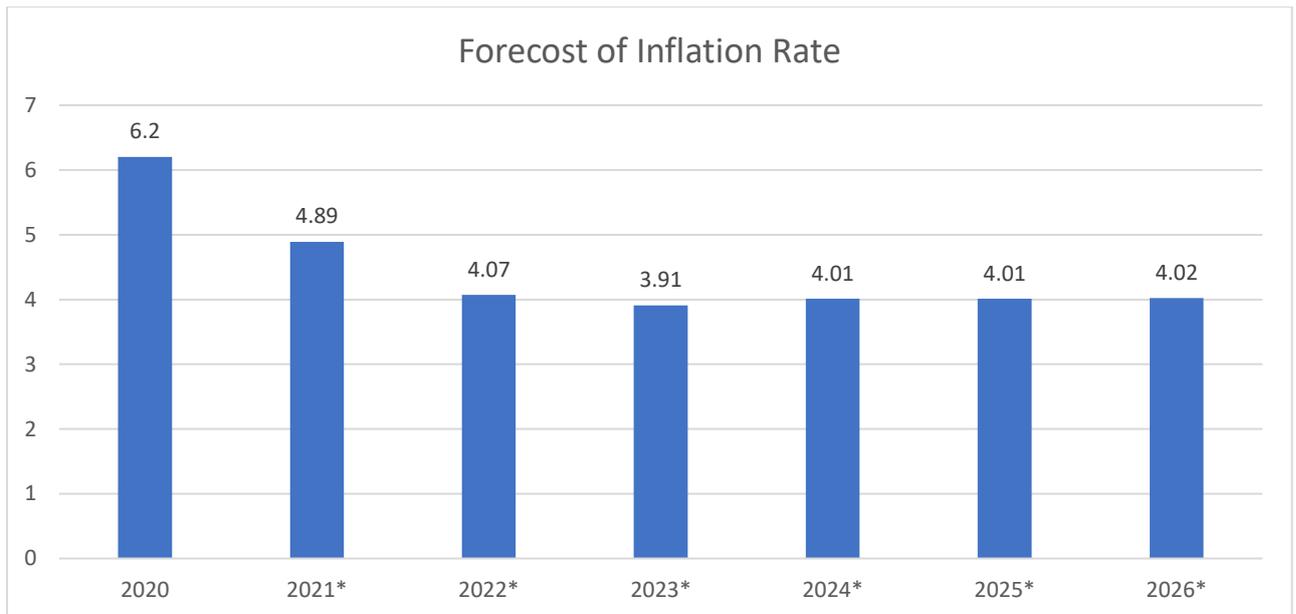


Figure 12: Forecasting India's inflation rate 2020-2026

Source: This data is collected Statista

Inflation is depicted in the graph above as the buying value of money flow. However, as shown in the graph above, inflation was 3.6 percent in 2017 and reduced by 2% the following year. As a result, inflation jumped from 3.4 percent to 4.7 percent in 2019, followed by a 1.7 percent drop in money development in 2020. However, India's economy is expected to grow in 2021.

2.12 Government Aims.

The planning and implementing department of the Indian government has detailed the future implementation as "Strategy for New India." The key objectives are to double farmers' earnings, create a start-up with fresh talent, improve make-in-India products, and achieve a tax-to-GDP ratio of 22 percent and a 36 percent investment rate by 2023. By 2030, the goal is to have a \$5 trillion economy in the United States. and to achieve an annual growth rate of 8%. By 2024, the prime minister stated that he wants the US economy to be worth \$5 trillion. India has recently grown to be a \$2.8 trillion economy, but the task is more difficult than it appears.

Individual income in agriculture will quadruple in the next five years as a result of a resource-conserving strategy that maximized technology. The Make in India program is trying to build a large export hub in the global manufacturing industry. It will stimulate economic growth by creating more jobs and encouraging greater investment in India. Automobiles, general manufacturing, electronics, medicines and biotech, heavy engineering, and information technology are among the industries targeted by this program. By 2026, the vehicle sector is predicted to grow from \$74 billion to \$300 billion.

The finance minister said in the Union Budget 2020 that the basic customs duty on completely constructed units (CBU) on electric vehicles will be raised to 40% from 25% in 2021. Electric car imports will quadruple in order to protect the global ecosystem. The country is anticipated to attract \$100 billion in oil and gas infrastructure investment over the next five years, and agriculture exports will reach \$60 billion by 2022, according to the government, which budgeted \$29.59 million in 2019 to double farmers' income. By 2025, Indians intend to spend 2.5 percent of their GDP on public health care.

The government intends to implement the New India @ 75 agenda in a number of areas. The female labour force participation rate is 23.7 percent, and it is expected to rise to 30 percent by 2022-23.

India's rail network should be efficient, reliable, and safe with products and people by 2022-23 in order to improve capacity and speed in new infrastructure. It will improve service delivery to achieve a 95 percent on-time arrival rate. In India, the young generation is larger since 65 percent of the population is under the age of 35. As a result, there are more chances to evolve and grow the working-age population. It might be beneficial to increase the demand for skilled labour. India is putting increased emphasis on renewable energy, with the goal of reaching 40% non-fossil energy by 2030.

Chapter- 03

INDIAN ENTERTAINMENT INDUSTRY

3.1: Entertainment sector in India

As India has vast diversity with 1.39 billion people, the entertainment industry plays a very important role in the country. And in the entertainment sector, there are a lot of sub-sectors located in the industry like movies, print media, TV media, video games, music etc.

The entertainment industry is a ceremonial one defined through its impact within the form of a glad and happy psychological state. So, it could be something that stimulates, encourages a condition of enjoyable diversion to our minds. People choose their entertainment based on different perspectives and entertainment available in their country. The entertainment industry has gone through many changes and is well developed in terms of art, technology, and quality of work that they make. In past decades, the entertainment is more about art forms, storytelling, song, drama, dance, or extraordinary forms of performances exist in all cultures. Moreover, in Theatre troupes, ventriloquists, hypnotists, poets, comedians, choirs, and orchestras all performed regularly in theatre halls. Circuses arrived in town and established up shop in parks and public areas.

In later days, all these entertainment forms are developed into greater sophisticated bureaucracy like film, TV programme, radio programmes, recorded tune and so forth with modifications in way of life and technology. These leisure sports may be labelled into vital industry segments which produce and sell entertainment merchandise. These merchandises are subdivided into most important categories: entertainment products are sports, amusement parks, performing

arts etc. consumption of which does not require any such medium to be connected. Media based category consists of products like film, television programme, music, radio programmes, video games etc. intake of which relies upon on any medium like a screen or audio/video device or paper whereas stay entertainment products are sports, entertainment parks, appearing arts and so forth. consumption of which does not require this sort of medium to be linked. For the media dependent category, distribution approach of amusement merchandise thru any of the above media is crucial for bringing in achievement for a selected industry phase. development of virtual generation is taken into consideration to have impacted the media-based phase of leisure industry basically for its growing software in the distribution of those products extreme take a look at in this evolving location is needed to similarly explore the nature of effect and its implication for the commercial enterprise and advertising of those merchandise.

As the entertainment industry is enormous industry which consists of number of sub-categories in it like movies/films/cinema's, tv shows, music, radio, newspapers, magazines, books, and social media etc. In all these categories the movie industry is high notch in the industry of entertainment with high rate of development and improvements done to improve the industry throughout the ages. The movie industry one of high revenue generator of some of countries.

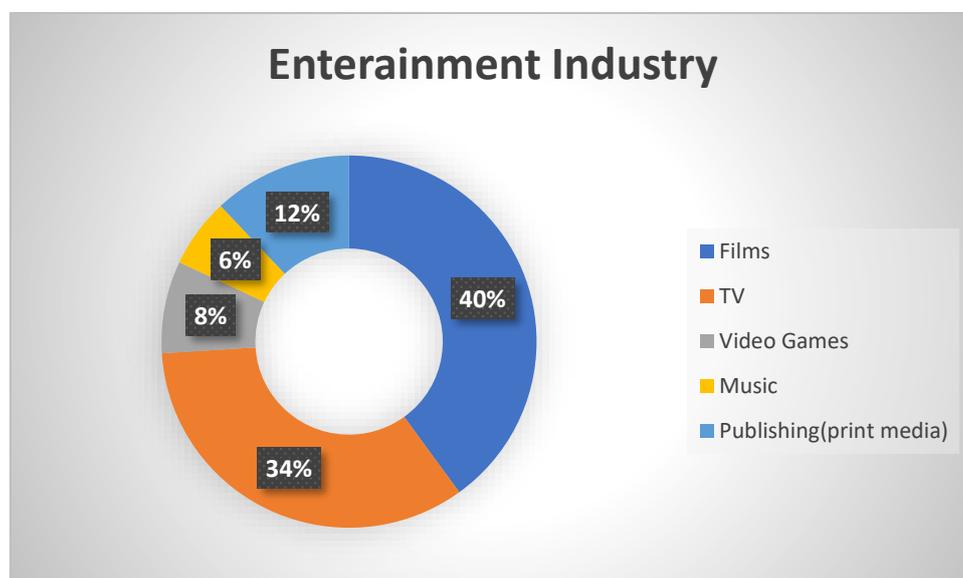


Figure 13: The above graph shows percentage of consumption Entertainment Industry.

source: this data taken from statistical 1

3.1.1 Radio

The country's cheapest and oldest form of entertainment, which was once dominated by the AIR. Radio started in India year 1922 and first radio broadcasting began in India in year 1922 by government owned radio station called All India Radio. These radio station plays dominant role in the broadcasting since 1936. Broadcasting in India had been going on for around 13 years before AIR was founded. The Radio Club of Bombay broadcasted the first ever broadcast in the country in June 1923, followed by the establishment of the Calcutta Radio Club five months later. In the Home, Regional, External, and DTH Services, the News Services Division of All India Radio transmits 647 bulletins daily for a total period of about 56 hours in around 90 languages/dialogues. On an hourly basis, 314 news headlines are broadcast on FM by 41 AIR stations. Regional News Units of Channel 44 produce 469 daily news bulletins in 75 languages. In addition to regular news bulletins, the News Services Division produces a variety of news-based programs on a variety of topics from Delhi and its surrounding regions. Because radio entertainment is significantly less expensive than other forms of entertainment, a large number of individuals, estimated to be about 400 million, have previously been prospective listeners to All India Radio. As modern civilization begins the radio is more opted to listen the music and hear some dramas and news. In present days, a very few radio stations are operating which mostly based on music broadcast. In recent years Music Broadcast Limited, which hosts

Radio City in India, had a revenue of 87 crore rupees in the first half of 2019, and Radio Mirchi reported a 36% annual growth in 2019.

Broadcast Radio reached 99% of India's population, even the most remote villages are connected by this medium. Rural India relies on this medium heavily for information. For a price-sensitive country like India, it still remains the cheapest and most reliable source for entertainment and information. A simple radio cost as less as Rs. 50, which makes it way cheaper than a mobile phone or a television.

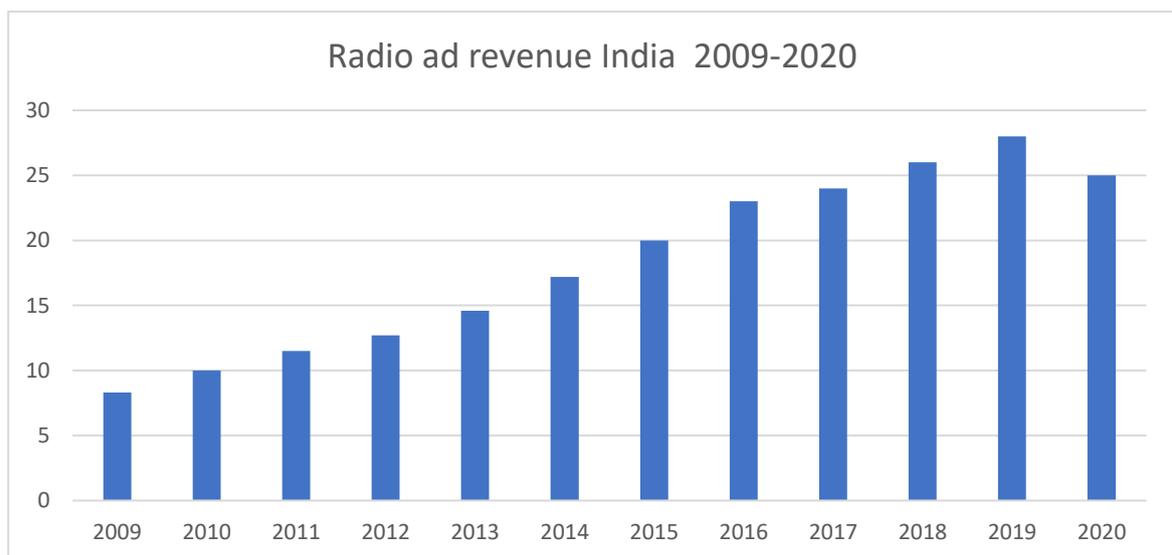


Figure 14: Radio advertisement Revenue of India from 2009-2020 in US \$ billion.

3.1.2 Print Media

One of the oldest and most fundamental kinds of mass communication is print media. Newspapers, weeklies, magazines, monthlies, and other types of printed periodicals are included. The printing press first appeared in the early 1780s in India and been actively operating since 18th century. As newspaper industry is well known throughout the world. India

has been one of the While the newspaper industry is dominant countries in the paper media. It is not only a dominant but also a rapidly increasing industry in terms of newspaper circulation, reading, and sales. Print newspapers in India have experienced a huge increase in income and marketing in the world's largest market. From a little more than 200 dailies issued in India after independence. Until 2015, there are over 100,000 registered newspapers.

The passing information and developing oddity have been fueled by an increase in litterer rates and a renewed focus on regional languages publication. Indian newspapers, on the other hand, are largely comprised of recycled newsprint. Which industries benefit from government-sponsored subsidies to make newspapers more affordable in the country with compared to other nations. Indian government added additional credit to A substantial portion of the country has a social-culturally entrenched routine of receiving daily newspapers delivered to their doorsteps every morning. The first newspaper in the nation, Hicky's of Bengal Gazette, was founded in 1780 by British. His drive prompted the establishment of additional publications, in addition to local newspapers, that covered news for the British Raj. In particularly there are some oldest publishers of Indian newspaper that continuously publishing newspapers since past to till now the Bombay Samachar which is established in 1822. Dainik jagran is most popular daily newspaper which publish in Hindi. English publication like The Times of India for English

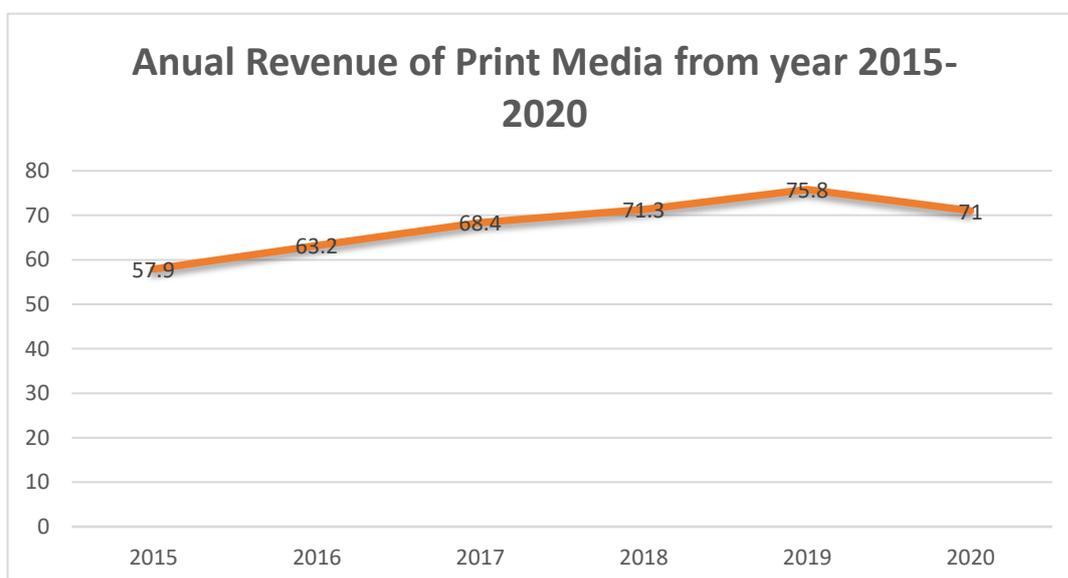


Figure 15: This graph represents annual Revenue of print Media from year 2015-2020

specking India's. There are large number of local publications in each state and some of them with most popular are regional publication which have been read avidly are Eenadu in Telugu states, Manorama in Malayalam-Kerala state. Thanthi in Tamil-state of Tamilnadu. Lokmatin Marathi and many other.

As the technology improves the digitalization playing a major role and even the younger population in high as these generation imposed to screens. The print media taken into next step and taken Relative to its economic trajectory a few years ago, the country has taken a blow. Indian newsprint industry taking a challenge to retain their audience through the digital platform, with instant update of news happening around the world at their fingertips and maintaining enough of advertisements and subscription revenue for continue the print edition to people.

3.1.3 Television Industry

The Indian television business is currently one of Asia's fastest expanding entertainment industries. with growth rate of 3.4% CAGR a year which give enamours revenues to country and it's providing employment to more than two hundred eighty thousand people and highly developed in terms of technology and production. Has larger broadcasting capacity. Actually, television industry has longer history as its existence for four decades. In past when the industry started on 15 September 1959 with an With a modest transmitter and a makeshift studio, an experimental telecast began in Delhi. These transmissions were mainly in black & white. Later the daily transmission began in 1965 on AIR. In 1972, television service was extended to Bombay and Amritsar. It took 17 years to change the transmission from black and white to colour. The country's philosophers and policymakers, who have only just been freed

from decades of colonial rule rules, Television was frowned upon, and Indians saw it as a luxury. In 1975, the central government cabinet made a decision prohibiting foreign investment in television media, which has been strictly enforced for nearly 45 years. Until 1977, sales of TV sets reflected by buyers were only 676615. Television has been in the forefront of everyone's minds for the past 21 years. The first ignition point occurred in the 1980s, when color television was launched. Door Darshan (DD) was a state-owned broadcaster that aired during India's hosting of the Asian Games in 1982. During the period of private enterprise, it was permissible to establish a television station or send a television signal. The second spark for the Indian television business occurred in the early 1990s, when international programs such as CNN, Star TV, and, later, domestic channels such as Zee TV and Sun TV began broadcasting satellite TV in India households. Prior to this spark, Indian viewers had to make do with DD's with no other option, they chose dreary, non-commercial material aimed solely at education and socio-economic development. Only a few entertainment programmers were available. The solitary small soap like hum log debuted in 1984. (1984). Millions of fans stayed glued to their televisions to see epic dramas like Ramayana (1987-88) and Mahabharat (1988-89). When urban Indians discovered that they could watch the Gulf War on TV, they hurried out and purchased dishes for their homes. People started tuning entrepreneurs and tossing cable over treetops and verandahs to offer the signal to their neighbours. The main metros are a good place to start. satellites The introduction of cable television into smaller communities prompted the buying of television sets and even the upgrade from black and white to colour televisions. The networks' initial success in Indian homes had a snowball effect, with other international programming and Indian entrepreneurs launching their own versions. Prior to 1991, Indian viewers were only exposed to two channels; by 1996, they were exposed to over 50 channels. Software makers sprang practically overnight to cater to the programming boom, and some talent came from the film business, advertising, and journalism.

During the years 1995-1996, an increasing number of people set up networks, with an estimated 60000 cable operators in the country at the time. Some of them had subscriber bases ranging from 50 to tens of thousands. MSOs (multi-system operators) took over local networks or franchised cable TV for a charge to feed smaller operators. As a result of this phenomena, smaller cable operators banded together and began operating as MSOs. As a result, the number of cable operators in the country has decreased. Wagle ki Duniya, Malgudi Days, Rajni, Nukkad, Humlog, Ramayana, Mahabharata, and other popular Indian television soap operas from the 1980s spring to mind.

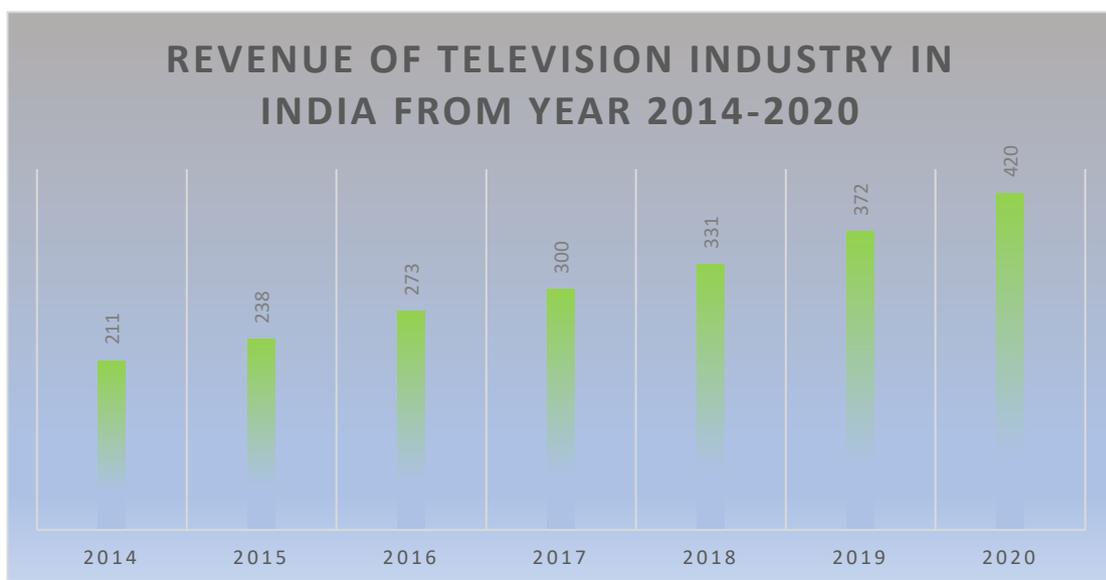


Figure 16: This graph represents revenue of Television Industry in India from year 2014-2020 in US \$ billion.

3.1.4 Cinema/Movies:

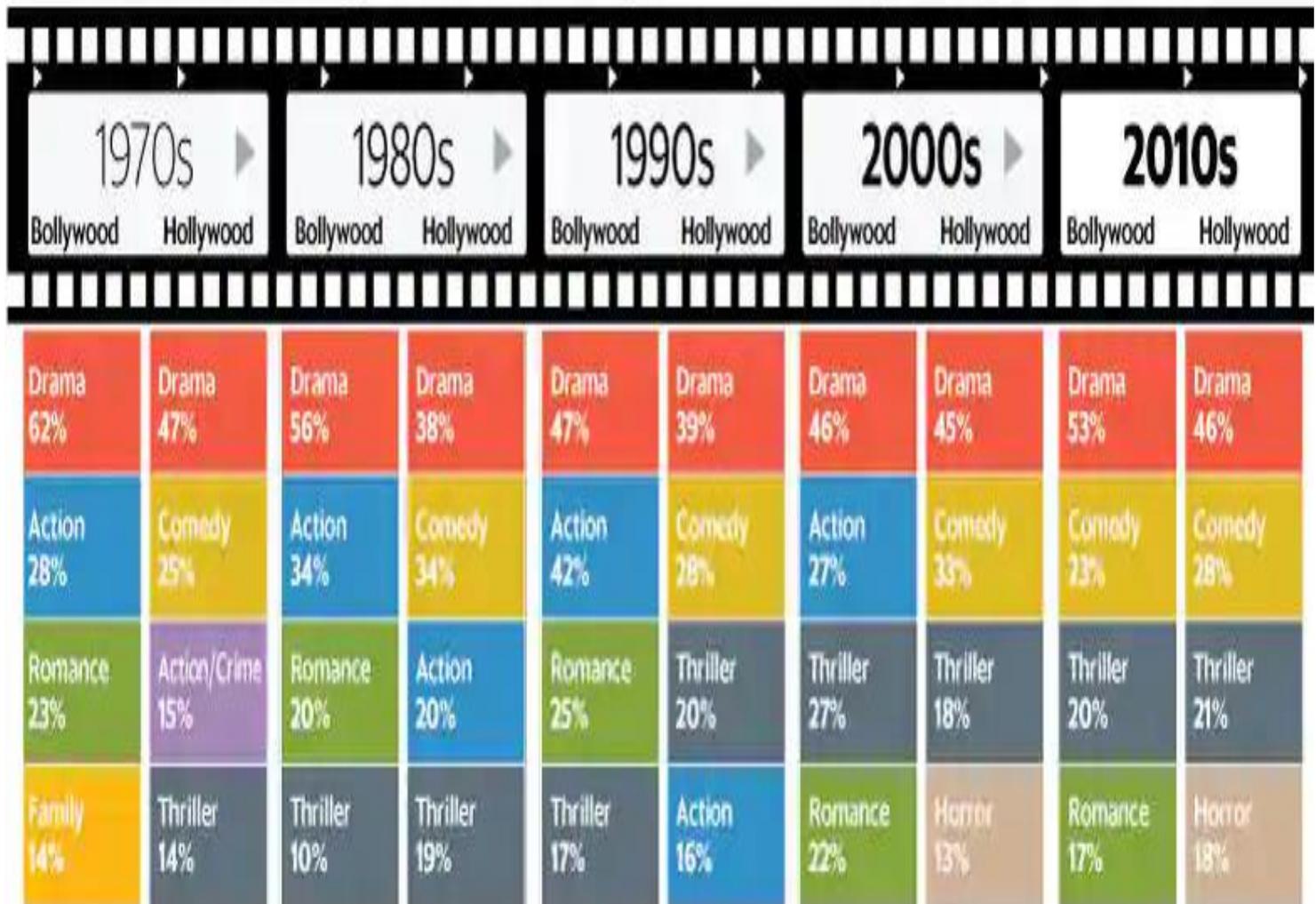
India has well known impression with Indian cinemas around world by showcasing their pride and culture and style of living in form of cinemas. While film is one of the mediums via which we imagine place, it is also important to recognize that place is one of the templates through which we conceive cinema. In other words, cinema is frequently analysed as a form of expression unique to a certain geographical location. National cultures have been given special treatment within the cinematic taxonomy. Even studies that emphasize genre or auteur analysis frequently use national cultural contexts to understand specific aspects of film texts. The word itself is derived from the ancient Greek kinema, which means movement. It is a condensed version of French cinematography, which was created by two brothers, Auguste and Louis Lumiere, who merged cinema with photography. The "recording of movement" looks like a decent place to start when looking at the moving image. And cinema seems wide (or ambiguous) enough to capture the core of the art form, whether we use it to refer to the increasingly commonplace creation and consumption of movies, TV, streaming series, videos, interactive gaming, VR, AR, or whatever new technology comes to mediate our experience of the moving image. Because, at the end of the day, the moving image is what all of the above share in common. Cinema, more than any other medium, sits at the crossroads of art and technology. Without the technology required to capture the moving image, it would not exist as an art form. However, the ability to capture a moving image without the art required to capture our imagination would be pointless. Cinema, like language, is a pervasive and engulfing medium that conveys what it means to be human in a particular moment and place. That is to say, it mediates our perceptions of the world, assists us in making sense of events, and, in doing so, often contributes to the shaping of the world. It's why, when confronted with an incredible incident, the only way to express it is to say, "It was like a movie."

In truth, for more than a century, directors and audiences have participated in a gigantic, ongoing, mostly unconscious social experiment to build a cinematic language, the basic and increasingly sophisticated rules for how cinema expresses meaning. Cinema has a syntax, or language, that has evolved over time. And, like any language, these norms are iterative, meaning they form and evolve through time, both within and between generations. Through children's television, cartoons, and YouTube videos, we are socialized into certain ways of perceiving. As we grow older, we have a more comprehensive knowledge of the laws, allowing us to innovate, recombine, and be more creative with language. And every generation or so, we are presented with significant technological advancements that re-orient and, in many cases, expand our knowledge of how language works. That is the crucial distinction between cinematic language and all other forms of communication. It has taken more than 5,000 years for current written languages to develop their innovations and complexity. For spoken language, multiply by at least ten. It has only taken a little more than a century for cinematic language to mature.

The below image shows percentage of distribution movie categories made with year releases between Bollywood and Hollywood. Since 1970 this both industry seems to run in same standard and their both been competitive in journey even genre. Bollywood is more concentrated with drams and Hollywood with trailers as years passing their both industry remains same in genre distribution percentage in yearly releases.

Chart 1a

In a first, the same genres ruled Bollywood and Hollywood in the 2010s

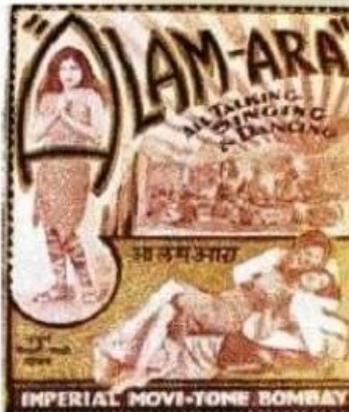


Top four genres for each decade listed here. The percentages add up to more than 100% because many movies may be listed by IMDb under multiple genres. Bollywood refers to all entries on IMDb listed as Hindi feature films produced in India. Similarly, Hollywood refers to all English feature films from the US.

Source: Internet Movie Database (IMDb)

Figure 17: Transformation of Bollywood with comparison of Hollywood since 1970's

- *Raja Harishchandra* (1913), by Dadasaheb Phalke, was the first silent feature film made in India.



- In the 1930s, the industry was producing over 200 films per annum. The first Indian sound film, Ardeshir Irani's *Alam Ara* (1931), was a major commercial success

- 1940s to the 1960s is regarded by film historians as the "Golden Age" of Hindi cinema. Colour movies become a popular feature in the late 1950s

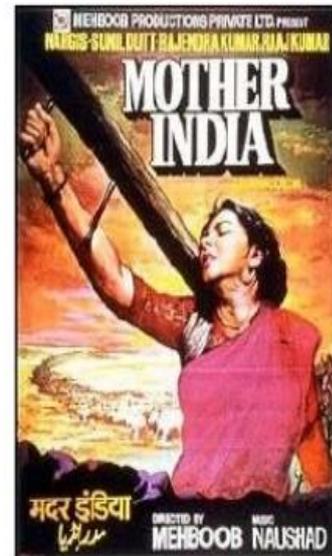


Figure 18: Key highlights of Bollywood industry and their history

As Bollywood started spreading wings towards the future in 19th century the era starts with the production of movie *Raja Harishchandra* in 1913 it was the first silent feature movie ever made in Bollywood and *kisan Kanya* was the Bollywood first coloured featured in 1937. After this footsteps Bollywood film makers got confidence in success and period 1940 to 1960 their called as Golden age of Bollywood.

3.2 Diversification of movie industry based on languages.

As in movie industries India geographically divided in to north and south film industries. Moreover, both in north and south film industries divided into regional industries where most of these industries make only movies in their regional language in respect of their state.

India was one of biggest producers of films with number of regional industries each of this regional industry has its own reputation in their states and as well in national wide too. Some are very popular in world too. Best and highly popular film also dubbed many other languages also.

| Film industry name | Language of industry | State of industry |
|--------------------|----------------------|---------------------------------|
| Bollywood | Hindi | Mumbai- Maharashtra, India. |
| Tollywood | Telugu | Hyderabad- Andhra Pradesh-India |
| Kollywood | Tamil | Chennai-Tamilnadu- India |
| Mollywood | Malayalam | Kerala, India |
| Sandalwood | Kannada | Bangalore-Karnataka, India. |
| Chollywood | Chhattisgarhi | Chhattisgarh, India |
| Pollywood | Punjabi | Panjab |

| | | |
|------------|----------|-----------------------|
| Dhollywood | Gujarati | Gujarat |
| Jollywood | Assamese | Guwahati, Assam-India |

Table 3: Division of film industry in India with regional languages

India had got Independence in year Between 1947 and 1991, policy liberalization began. India started to develop financial system to generate income in sector like Agri, industrial, IT industries and also stated to During this time, the country developed a sizable film industry. In 1993, India film industry been a ninth largest industry in the world, with an employment of 2.25 million people in production & distribution. During the 1970s and 1980s, India outproduced every other country in the world, including the United States, with approximately 800 films released each year. However, it was a diversified sector in which Hindi language films, which comprised the Mumbai (previously Bombay)-based Bollywood business, accounted for barely one fifth of total production, with the rest being in regional languages, particularly those spoken in the country's south.

India can be divided as two major parts and explained about how movie industry works in India. The North part and south part.

3.2.1 North India

North India is generally defined by the Hindi as speaking language and northern region consists of states Jammu & Kashmir, Himachal Pradesh, Punjab, Uttaranchal, Haryana, Delhi, Uttar Pradesh, Bihar, Sikkim, Assam, Arunachal Pradesh, Meghalaya, Nagaland, Manipur,

Mizoram, Tripura, Jharkhand, West Bengal, Rajasthan, Gujarat, Madhya Pradesh, Chhattisgarh, Orrisa, Maharashtra.

3.2.2 South India

The industry of Tamil Nadu, Andhra Pradesh, Telangana, Karnataka, and Kerala are among the states in South India. which has more particular language to each region with different language in each State. So, besides whole if you see India not every State but majority of them has got their own languages. Based on the language the Movie Industry also varies. People in India give's more importance to their reginal language then the common language.

If we look at North India it has got

| | | |
|-------------|---|---|
| Bollywood | - | Mumbai based in Maharashtra. |
| Kaliwood | - | Nepali cinema based in Kathmandu. |
| Dhollywood | - | Film industry based in Gujarat, India in the Gujarati language |
| Pollywood | - | Punjabi language film industry in India |
| Chhollywood | - | Chhattisgarhi language film industry based in Chhattisgarh, India |
| Tollywood | - | Tollygunge region of Kolkata, West Bengal |
| Jollywood | - | Assamese language film industry in Guwahati, Assam |
| Ollywood | - | Film industry of Orissa, India in Oriya language |

Table 4: This table represent film industry based on the regional languages in North part of India.

The major movie industries in South India are

| | | |
|-------------|---|---|
| Tollywood | - | Telugu film industry based in Andhra Pradesh, Telangana. |
| Kollywood | - | Tamil language film industry, based in Chennai, Tamilnadu. |
| Mollywood- | | Malayalam film industry in Kerala. |
| Sandalwood- | | Kannada language film industry in Karnataka. |

Table 4: This table represent film industry based on the regional languages in south part of India.

3.3 Heritage of Indian movies

Indian movie has a long heritage and very good global reputation. Since the early twentieth century, Indian films have been shown in marketplaces all over the world. As of 2003, Indian films were being aired in over 90 different countries. There was a continuous rise in ticket prices, a tripling in the number of theatres, and an increase in the number of prints of a film being released throughout the first decade of the twenty-first century, resulting in a huge increase in box office revenues.

The most of highest-grossing Indian films are Bollywood films. Here some list of highest - grossing Indian films, which includes films in a variety of languages, based on conservative

worldwide box office estimates from reliable sources. Domestic box office numbers are not officially tracked in India, and data publishers in India are regularly encouraged to inflate their domestic box office estimates.

Bollywood accounts for 43 percent of India's net box office income in 2014, while Tamil and Telugu films account for 36 percent and other regional industries account for 21 percent. For domestic gross numbers, see List of highest-grossing Indian films in India and List of highest-grossing Indian films in international countries. Appealingly their lot of Indian movies given competition with Hollywood movie in rate of gross revenue of box office collections.

- Bollywood film named Dangal original language of film is Hindi and dubbed in 3 other languages (Tamil, Telugu & Malayalam). This film released worldwide on 2016 December 23 on 4300 screens in India and 1000 screen internationally and called gross of **(311 million US dollars)**. This is highest of Indian movies collection in India.
- Telugu film named Baahubali 2. It is original language of film is Telugu and dubbed in 10 other languages (Tamil, Hindi, Malayalam, Japanese, Chinese, Taiwanese, French, German and Spanish). This film released worldwide on 2017 September and overall box office is about **(262 million Us dollars)**.

There is may more movie which show heritage of Indian movie industry. These movies got lot of awarded both nationally and internationally. As per the study the Indian film industry has higher potential to cross the Hollywood in future.

Chapter- 04

REVENUE, EMPLOYMENT AND RELEASES

4.1 Bollywood

Bollywood refers to India's total film industry, which is based in Mumbai. It is a celebration of everything that makes India so wonderful with music and dancing, love tales and tragedy, it pulls people together. Bollywood is to India what football is to the Western nations. It is a component of what makes it and its inhabitants unique in industry. Bollywood actuality, the world's largest film producer. The film industry releases over 800 films every year and shows no signs of slowing down.

Bollywood films are often musicals. Dance routines and solos are frequently included in films. Almost all of their films have at least one dance routine. They are also made up of several cinematic components. A single film might span numerous different cinema genres. There are many combinations of action films, love stories, comedy, and thrillers that are occasionally combined into one. Bollywood began to feel pressure to improve the quality of their films. Movies shot overseas, away from their intended audience, were the most popular at the box office. As time passes, Bollywood film teams travel more and more. It is ostensibly vital to the audience that the films they see provide them with a novel and exciting experience. They desire to visit places and things that are not easily accessible. As a result, film crews frequently go to exotic locations outside of their own nation, such as Australia, the United Kingdom, and Europe.

4.2 Financials

Ever since the Indian Bollywood film industry is growing a lot and gaining much attention throughout the world the growth of this industry is increasing throughout the years. Since all these years Bollywood have been dominant in India when it is related to film industry since decades. especially in this industry Mumbai is one of longest of One of India's most important centres for arts and cultural representation. In the 19th and early 20th centuries, it was one of the most important places in the country's theatre scene. However, theatres had a limited reach in India at the time, as it still does now. The actors' and their acts' limited mobility guaranteed that theatre was never a mass phenomenon. The high prevalence of illiteracy, along with the division of the few literates into multiple languages, made it difficult for a book or novel to act as a binding fabric.

As a result, cinema, which was not constrained by mobility or literacy, was able to reach and satisfy the Indian people in a manner that no other medium could. Cinema has been the most popular form of mass media in the country since that period. After Chinese and English, Hindi, in all of its varieties, is one of the most widely spoken languages on the planet. It's understandable, given that Hindi is India's most widely spoken language and the nation has the world's second-largest population, with a fast growing population. But, above all, Bollywood has dominated the Indian film industry.

Bollywood films are not accessible to everyone in India. The population of the country is 1.39 billion people as the new of theatres are low. For any example the available of movie theatres are much lower compared to United states. For any example the United States has 44.111 of theatres until 2020 for the population of 328.2 million people. As compared with Indian film industry the USA play very dominant role in compared with the sake of language as mostly of

country in world has a minimum of knowledge of English as refer to Hindi language of Bollywood films India. Due to this following barrier the Indian films taken second place inworld of entertainment dominance.

India's film, television, and online video services industries (together referred to as "creative industries" here there are more than 850,000 lakh people working as employees in this industry as of year 2018. This will have These industries have a direct influence. However, their overall influence is far greater. We addressed how the creative industries have a far greater overall influence than their direct impact on the economy of the country. the impact of multiplier In addition to direct and induced impacts, there are also indirect and induced effects, These industries are estimated to produce a gross production of up to US\$ 49.9 billion, or three times direct gross output, and employ up to 2.6 million people, or 3.1 times direct employment. Furthermore, the creative industries have a significant effect in a variety of ways that are not represented by the statistics above. These industries have the ability to bring people together, bridge cultural and political barriers, provide a source of identity and expression, and influence attitudes and thought processes. They are incredibly effective instruments for promoting national integration, delivering social messages, and projecting India's culture and influence throughout the world. India's film, television, and internet video services industries are thriving and full of possibilities. It is the world's largest movie maker and has the world's largest DTH and second-largest pay TV subscriber base.

As digital media is booming up in world. Even in India, the online video services/digital streaming market is expected to develop rapidly. Due to their busy life and schedule the people has less time to watch movie and television as their movie to digital platforms a source. Even the development help the Indian people to adopt to new technology like smartphones presently

their available a cheaper price where people in country can effort them to buy Smartphones with screens as small as six inches are available in India for as little as INR 7,000, approximately 95 US dollars or 80 euros. Even connectivity is affordable, with an average price per GB for wireless data of INR 7.0 (US\$ 0.1), which is by far the lowest in the world. This has sparked an insatiable desire for data, with Indian cell-phone consumers consuming 10.4 GB per month on average. The fast rise in the number of video streaming services (from 9 in 2012 to more than 35 in 2019) demonstrates the tremendous potential that industry participants perceive in India. In many respects, the government and policymakers have exhibited constructive purpose.

4.3 Turnover

The Indian film business is known for its glamour, vitality, and drama as one of the world's major movie centres. The city of Mumbai is particularly significant in this regard because it is the origin and namesake of India's "Bollywood." While Hindi language cinema is the most profitable in terms of revenue, there are numerous more film centres around the country that are distinguished by regional languages such as Telugu, Tamil, Marathi, Bhojpuri, and Bengali, to mention a few.

The number of feature films produced and released in India has been steadily increasing over the years, making it one of the world's major film industries. Indian moviegoers go to cinemas, whether they are contemporary multiplexes or single-screen theatres.

The development of streaming services has made this type of consumption more accessible. Despite the fact that the number of single-screen cinemas has decreased over time, the country still has a large number of them. This makes the Indian movie buff a prime target for advertising.

Music in Indian films, in addition to advertising, is a key income source, frequently generating more talk about the film than its trailers. In recent years, music distributors such as T-Series and Zee Music have found success on YouTube, with Indian music ranking high in terms of views and subscribers. Because of the popularity of these songs, playback singers are venerated and among the highest-paid in the industry. A.R. Rahman, the Grammy-winning composer, was arguably the most popular.

Surprisingly, the highest-grossing picture of 2016, Dangal, did not have as popular a soundtrack as some of its peers. The film, which starred Aamir Khan, shattered box office records previously held by PK, which starred the same actor. Film releases have migrated to the virtual world with the start of the coronavirus (COVID-19) pandemic, making an impact in an already growing streaming industry, with each participant scrambling to purchase rights to blockbuster pictures.

Filmmaking is a major business, and being the world's largest, the Indian film industry brings in a lot of money every year. The Indian film industry is the world's largest exporter of its culture, with around 1000-2000 films produced each year. Despite having the world's largest film industry, China's theatres have the second highest attendance (after China). The Indian film business now generates about INR 138 billion (13,800 crores) in yearly income, which is expected to expand at a pace of 11.5 percent per year, reaching INR 238 billion (23,800 crores) in 2020.

The Indian film business is split into a number of regional film industries, each of which contributes a different amount to the overall figures. Let's have a look at India's Top 5 Film Industries and their respective numbers:

Bollywood/Hindi film industry

The Hindi film business, also known as Bollywood, accounts for a significant 43 percent of total income. This brings the total for 2015 to INR 5,934 crore. By 2020, the amount is expected to reach INR 6,617 crore.

Malayalam film industry

The Malayalam cinema industry continues to develop and stabilize year after year. Over 140 Malayalam films were released in 2015, grossing over INR 500 million at the box office on budgets of INR 120–150 million.

Tamil film industry

After Hindi, Tamil is India's most powerful and largest regional industry. It generates 19 percent of the Indian Film Industry's total yearly revenue, resulting in a turnover of INR 2,622 crores in 2015. It is expected to reach INR 2,924 crores by the year 2020.

Kannada film industry

Kannada Film Industry is the smallest regional industry in the south, accounting for the tiniest slice of the pie. According to sources at the Karnataka Film Chamber of Commerce (KFCC), the yearly turnover in 2015 surpassed INR 400 crores, up from INR 250-300 crores in 2014.

Bengali film industry

Tollywood's growth has slowed in recent years, owing to poor material and the audience's preference for English and Hindi movies. It made INR 150 crores in yearly revenue in 2014,

which is almost the same as the budget for a star-studded Hindi blockbuster. The situation does not appear to be improving in the near future, as the industry tries to discover a hit that will save it from drowning.

Telugu film industry

The Telugu film industry accounts for 17% of the Indian film industry's overall annual income. It is India's third largest regional cinema industry, behind Tamil and Telugu. It has an annual revenue of INR 2,346 crores in 2015, and it is expected to increase to INR 2,745 crores in 2016.

With these figures, the future appears bright, but one thing to consider is that, despite having the world's largest film business and the second-largest audience, we are still earning less than Hollywood, which has a considerably smaller industry and population. The quality of the material and the cost of movie tickets in India are the causes of this disparity. Perhaps, in the future, the largest film business will also be the most successful in terms of quantity and quality.

4.4 Employment growth

The development and employment opportunities are higher in movie industry since past decades. In India, millions of people work in the film industry. Approximately 400,000 individuals are working in the Bollywood industry as for as 2020. In compared to past studies the permanent/fixed employment statistics for Hollywood is available, in 2010, 374,000 individuals were employed, down from 392,000 in 1998. Similar numbers for Bollywood are based on employment data from the industry's three major production and distribution houses (YahRaj, UTV, and EROS), which employ close to 68,000 people full-time and there is no count of temporary employees in 2005.

In India, indirect employment in the film business was estimated to be at 448 thousand in the financial year 2019. Direct employment, on the other hand, was estimated to be approximately 247 thousand across the country. In that year, the economic effect of employment in the Indian film industry totalled approximately \$9.3 million US dollars. Here is the list of employment potions in industry there are professions in the creative and technological fields that pay well to moderately. Research, writing, cinematography, audiography, editing, direction, production and management, and acting are just a few of the tasks involved. A large-budget film may have a workforce of over 1000 workers. Intern in a film or television production studio if you appear unsure about Bollywood careers or what you want to do. If you know someone in the field, getting an internship there is simple. In any event, they don't have high expectations of interns other than humility and desire may its easy if know someone who already working in the industry.

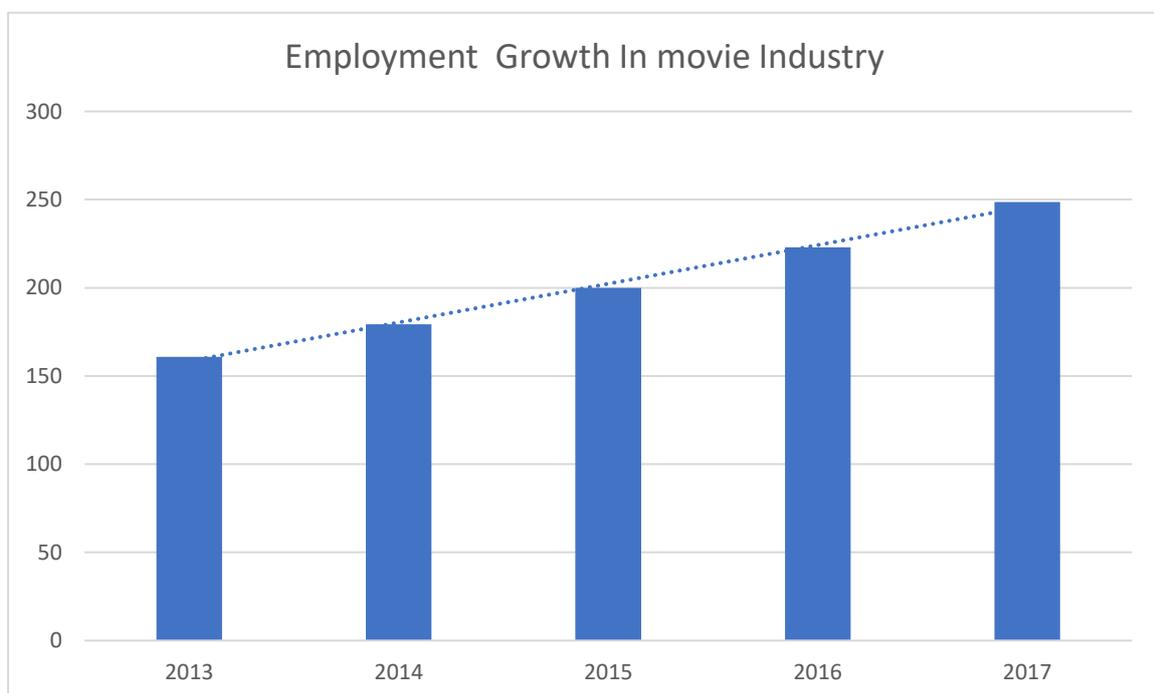


Figure 19: employment Growth in movie Industry

4.5 Value of film industry

In the financial year 2020, the Indian film business was worth around 183 billion Indian rupees. Due to the coronavirus (COVID-19) pandemic, this was projected to more than double the following year. Estimates for fiscal year 2022, on the other hand, indicated a 196 percent increase. Aside from the pandemic, India has regularly been the world's largest film production since 2007. At the same time, the country is the world's largest film market in terms of ticket sales. In terms of income, the military action picture 'Uri,' which was released in 2019, made over 876 percent of its budget. The sequel rated first among the major films made in India in terms of return on investment, with a stunning amount of return on investment.

Advertisers in India are well aware of the industry's appeal with consumers and have made significant investments in cinema-based advertising. The revenue produced by in-cinema advertising in India was assessed at over 11 billion rupees in fiscal year 2019. Overall, the Indian film business has a diverse revenue stream, and with a growing focus on digital and regional languages, the industry's worth is growing. of the industry is poised for growth.

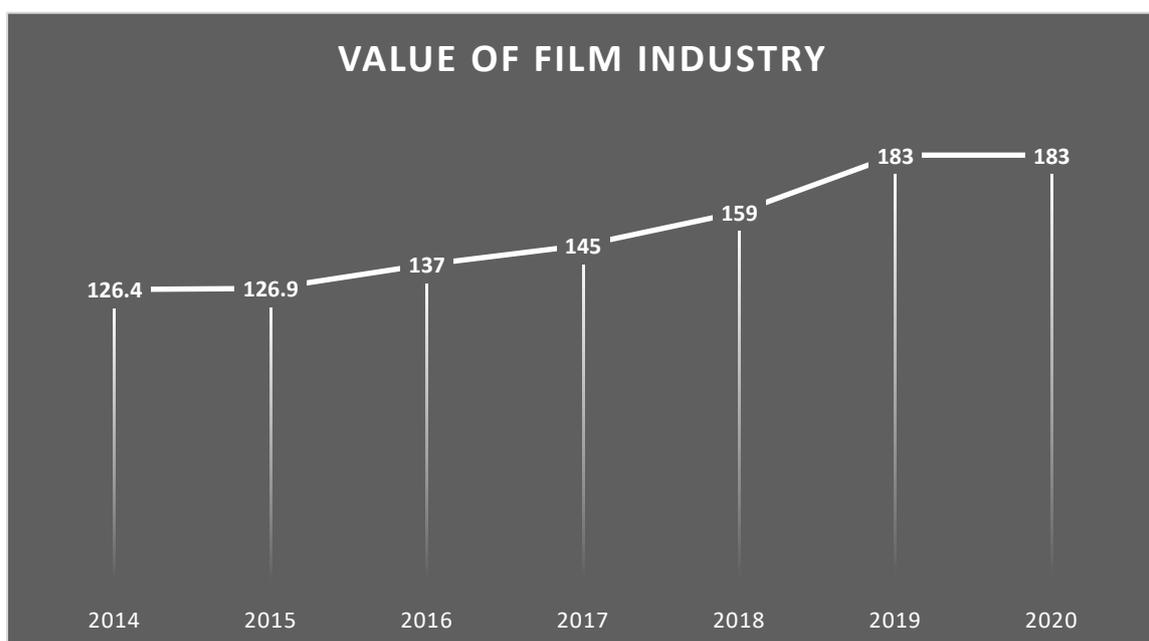


Figure 20: Growth of Value of film industry from 2014 to 2020

4.6 Knowledge with films

When we watch films in general, we have been able to discover parts of ourselves by watching it. In general movie make us learn some rules, ethics and how to behave in some situations like when in danger how to rescue ourselves in that kind of time. even I was able to see sexuality as something normal rather than something hidden and considered to be strange because of cinematic representations of it. I discovered not only my sexuality, but also my acceptance and satisfaction in it. As a youngster who was first afraid of the unknown and mistakenly assumed I was alone in my feelings, this was really helpful. It is critical to globalize entertainment in order to convey authentic and heartfelt tales that appeal to minorities. People, especially children, will grow up feeling that what they feel and who they are not genuine and accepted if this is not done. As in India, movies has a far greater effect and expertise.

4.7 Contribution of Bollywood in Indian Economy

According to a research issued by Price Waterhouse Coopers, the Indian film business provides \$6,200,000 to the Indian economy (2010). In addition, the film business produces roughly \$ 20.4 billion in total and contributes more to the Indian GDP than the advertising industry. Despite accounting for only 16 percent of India's film output, Bollywood generates 40% of the country's cinema earnings, with an annual growth rate of between 10% and 20%. As a result, the Bombay film cluster contributes the greatest part of Indian cinema earnings to the economy in order to continue to develop. Since 2010, Bollywood has become the greatest foreign supplier of entertainment to the United States, garnering considerable international investment

in Indian film production and resulting in enormous inflows of Indian cash. It is largely due to Bollywood that entertainment is now India's second largest growth sector, with the film industry experiencing rapid revenue growth over the last decade, owing to the global success of Bollywood's films, which, as previously stated, has a direct impact on the Indian economy. As a result, cinema is evolving into a key sector for India's overall economic development.

4.8 Number of movie releases in a year

In comparison of the movie releases worldwide India has taken the leading position since 2005.

As rate of production increasing throughout the country providing majority of opportunities

In the industry. This has been a potential opportunity to many production companies to take their business globally. As compared to most of developed country the labour cost here is much lower. So, the cost of production is lower in India and also massive availability of highly skilled labour adds an advantage to Indian filmmakers. production cost edge over the foreign rivals. India has the potential to become a post-production powerhouse for Hollywood films in the long term. Because the post-production budgets for these films are far larger, it would be advantageous for Indian businesses to serve as an outsourcing hub for developed-country film makers.

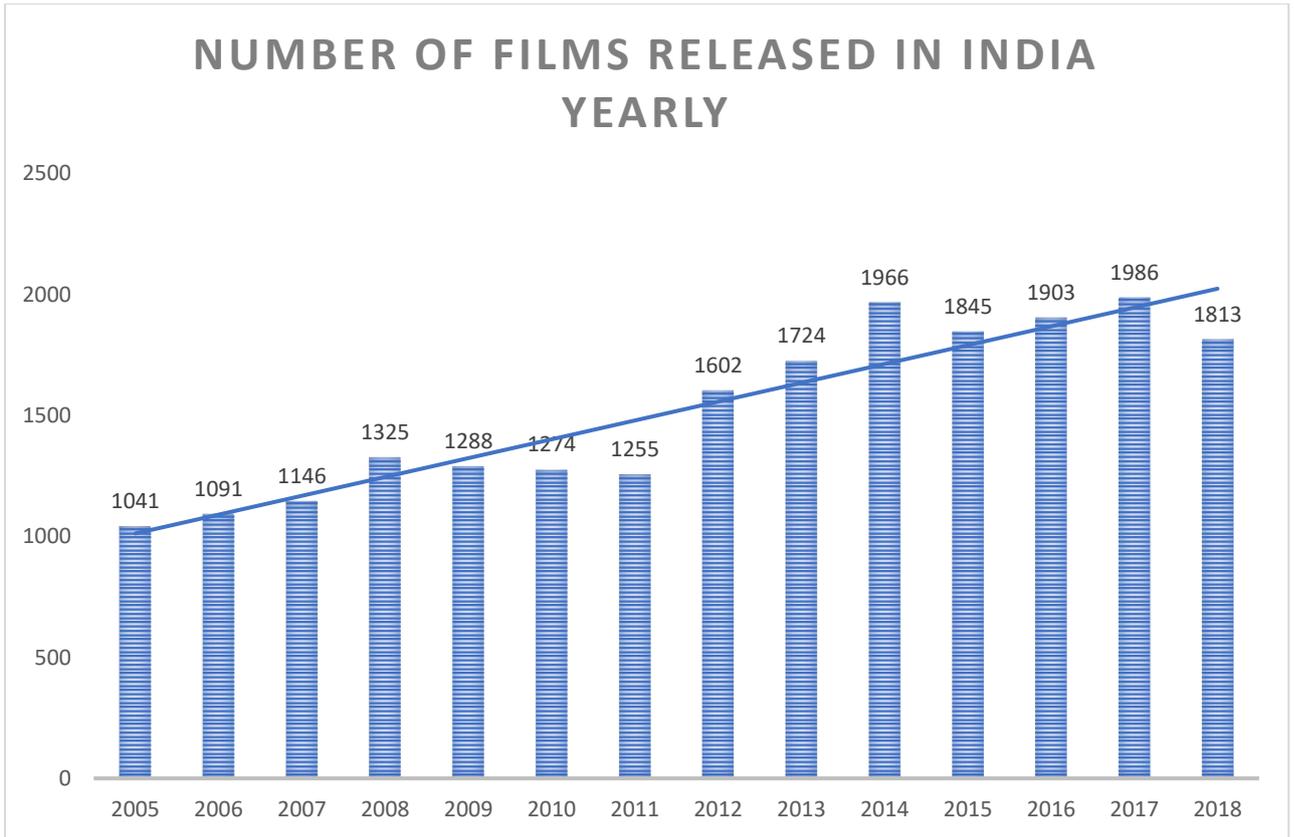


Figure 21: Number of films released in India yearly.

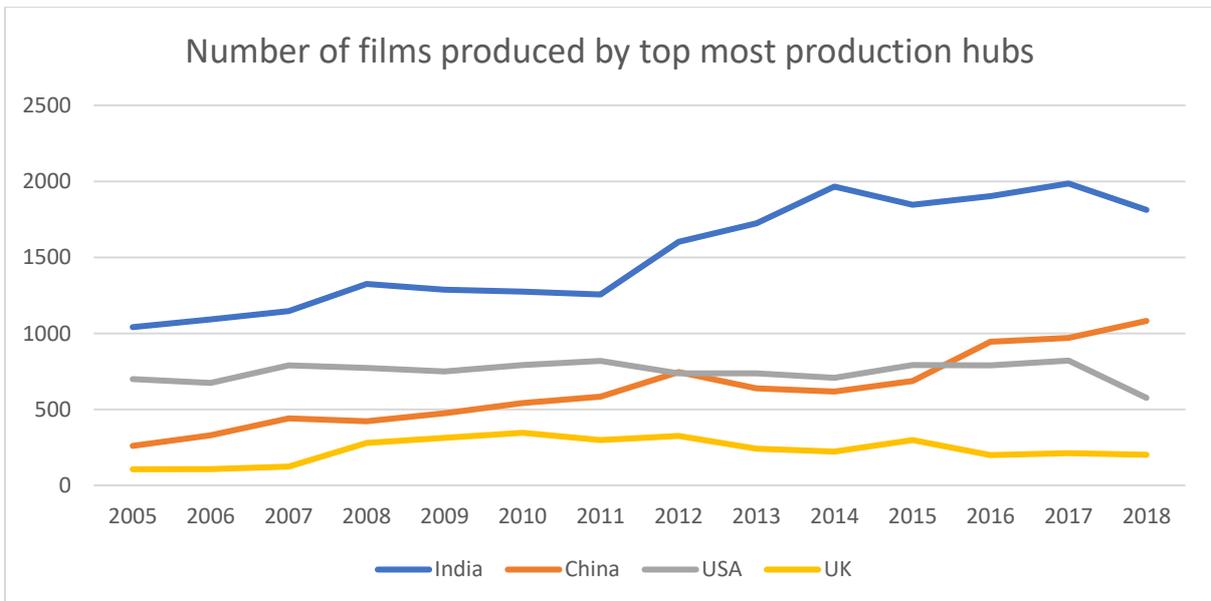


Figure 32: Number of films produced by most popular production hubs

| Rank | Movie Name | Indian (Gross cr) | Overseas (Gross cr) | Global Collections (cr) |
|------|-------------------|-------------------|---------------------|-------------------------|
| 1 | Dangal | 538.03 | 1430 | 1968.03 |
| 2 | Baahubali | 1429.83 | 380.76 | 1810.59 |
| 3 | Bajrangi Bhaijaan | 444.92 | 473.26 | 918.18 |
| 4 | Secret superstar | 81.28 | 794.5 | 875.78 |
| 5 | PK | 473.33 | 296.56 | 769.89 |
| 6 | Sultan | 417.29 | 197.2 | 614.49 |
| 7 | Sanju | 439.14 | 147.71 | 586.85 |
| 8 | Padmaavat | 387.37 | 184.61 | 571.98 |
| 9 | Tiger Zinda Hai | 434.82 | 129.38 | 564.2 |
| 10 | Dhoom 3 | 364.45 | 192.29 | 556.74 |

Table 6 Top 10 Indian movies revenue worldwide.

Chapter- 05

REVENUE AND GROWTH

5.1 Growth of Bollywood films

The perception of Bollywood as a low-profit business is shifting. To begin with, the cinema still accounts for 70% of the company's revenue. Bollywood has benefitted from increased national demand brought on by India's fast expanding GDP (which has quadrupled in the last two decades) and a burgeoning middle class (more than 300 million people strong and growing at 5 percent annually) via the distribution of a diverse selection of films, as well as expenditures to renovate existing theaters and build multiplexes. Box office receipts grew by 29 percent from 2000 and 2005, and by 17 percent in 2005. Second, Hindi films made by Bollywood have found a new home on Indian television, contributing to the fast expansion of cinema in this way. While national television coverage in India in the early 1980s initially reduced demand for Hindi films, following the introduction of satellite channels (such as Zee TV) in the 1990s, selling films to Hindi TV channels became big business. Finally, it is worth noting that, in comparison to other film businesses, Bollywood blows the most enthusiastic into the public more faster. Hollywood leads the way in terms of embracing new technology for products and platforms for film production. As a result, Bollywood began to improve its technology by embracing new cinematography methods. Bollywood is not only embracing digital cinema distribution on a huge scale, but it is also developing new revenue streams to supplement music soundtrack sales, such as toys, gadgets, ring tones, and mobile phone video clips. Bollywood began looking for new market abilities in order to break into new countries. The Bollywood film business is one of India's most important industries, and it is on its way to becoming a worldwide powerhouse. In 2004, it produced 16 percent of Indian films and accounted for more than 40% of the Indian film industry's income. Bollywood's recent development has been

remarkable, and the business is currently regarded as one of India's fastest-growing industries. The Indian film industry's revenues rose by 360 percent between 1998 and 2005, and 112 percent between 2001 and 2015.

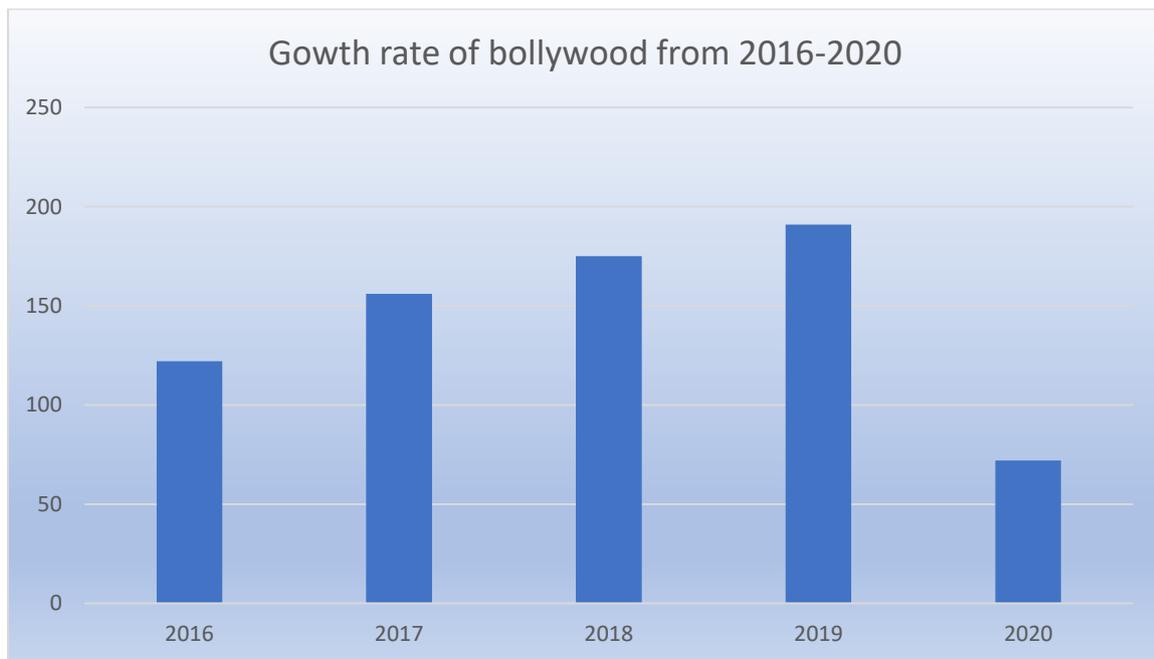


Figure 23: Growth rate of Bollywood from 2016-2020

In terms of rate of growth in film industry Bollywood shows an excel of 16% growth in period of 2005-2007. As compared to Hollywood's growth that was estimated of 7% for the same period, while its annual growth rate reached 30% in 2010. So, the current state of Bollywood's domestic market supports theoretical hopes that exports will be accompanied by increased domestic sales and income During this time.

5.2 Globalization

Globalisation refers to the exchange of information and collaboration between individuals, businesses, and governments. From ideas to trade, this philosophy helps to the distribution of international exchange. Globalisation's origins may be traced back to the third millennium BC, according to some academics. Globalisation is a modern concept that has evolved to function in a more advanced social means and as an economic exchange with human connection comes the desire to share knowledge and resources.

The global expansion of intercommunications and how they function. That is, technology and its ideas contribute to media's continuous invention. Globalisation has an influence on both the media's audience and the media industry itself. Distribution and profit are substantially aided by extending the market. This is particularly evident in the film business, where the globalisation of such a significant provider to entertainment and societal impact is assessed on its ability to reach a worldwide audience. The astonishing aspect is that it made 1.774 billion dollars outside of the United States, which means that the income was considerably greater even before the film was released in the United States. This is a fantastic illustration of how globalisation has aided the growth of foreign films, putting the Hollywood film industry under pressure. As a result, a broad range of representation is possible. People are hypnotized and entertained by our country's culture and notion of fantasies. Most nations are attempting to globalize their film industries, and they are supporting their production hubs with increased financing and technological advancements, as well as taking on the distribution of international films.

As movie industry expands all over the world, there is wide spread of high production happening in each country. We are aware of lot of well-developed industries like Hollywood in USA, Bollywood in India, European cinema industry, china flim industry, Dhaliwood in

Bangladesh, Kariwood in Pakistan, Kaliwood in Nepal, Ugawood in Uganda, Swahiliwood in Tanzania, sollywood in sierra leone, Kannywood and Nollywood in kano & lagos in Nigeria, Ghollywood in Ghana, Hillywood in Rwanda, Zollyuwood in Zimbabwe, Chollywood in Peruvian, Hallyuwood in South Korean etc. these industries are playing a major role in growing revenue in their countries and supporting their countries with employment opportunities. The particular movie industries are widely spreading throughout the world irrespective of their Nation which helps that industry to grow its market globally.

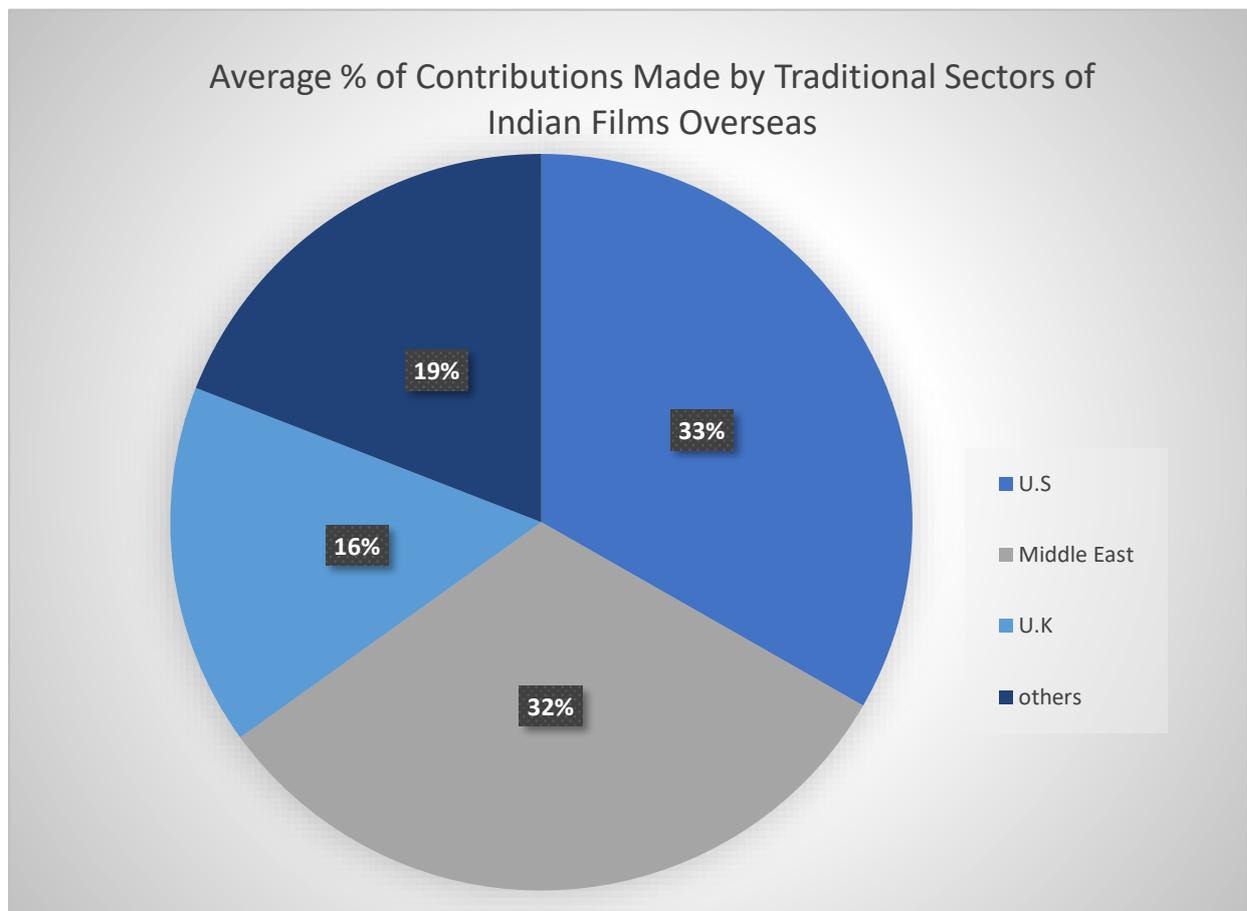


Figure 24: Average % of Contributions Made by Traditional Sectors of Indian Films Overseas

Simultaneously, the advent of low-cost digital technology has enabled filmmakers all around the world to create original, alternative styles, frequently outside of the studio structure. Such filmmakers are expressing their memories, goals, and aspirations in visual and auditory languages that are not from Hollywood, but from their own cultures, and are inspired by national and regional traditions. They're also delving into the thorny issues that come from the clashes between traditional methods and globalization's ubiquitous, homogenizing impacts. Hollywood movies reign supreme in today's globalized society. People all around the world are anxious to see films, but the majority of them are produced in the United States. Silent film has been regarded as the carrier of a "global language" of gesture that may connect humanity from its inception. The introduction of sound brought with it a cacophony of competing tongues, while the United States' post war economic and political dominance resulted in a Hollywood-dominated film industry all over the world.

5.3 Support of government

The role of government on Bollywood film industry has been no significant government regulation to facilitate exports from the film industry of Bollywood. In contrast for more than half a century, Indian government restriction has stifled the film industry's development and exports. The Indian government has taken a number of steps to encourage the growth of film exports. The revenue generated from the export of film software is tax-free. By method of duty drawback, the duty paid on the import of raw materials is reimbursed to the exporters. Through automated procedures, the government has authorized 100 percent foreign direct investment in

film production and distribution. India has made tremendous advances in the creation of animation software, special effects, and computer graphics, and it has the ability to export both film and television entertainment software.

More specifically, despite the existence of national governmental committees related to the film industry and their reports regarding policy issues, such as financing of films, the Indian government has largely neglected the growth prospects of Indian cinema. The Policies implemented by the different governments on occasion put the cinema in progressively difficult positions. The amusement tax, which is added to ticket costs, is a good example. After Independence, this tax climbed to a national average of 33% in India. Furthermore, due to a lack of political backing for the film sector, neither the national nor state governments have invested in theatre and movie education. As a result, India still only has one public film school, the Film and Television Institute of India (FTII). Over the last fifteen years, Indian authorities at both the national and state levels have recognized the film industry's enormous economic potential. Multiple modifications in government regulation have come as a result of this. First, the national government is currently aggressively encouraging the multifaceted expansion of the domestic film business. In response to criticism from the entertainment sector, the government has undertaken public campaigns and conferences to combat piracy (which, according to some estimates, has cost the film industry more than 40% of its income) and to punish violators criminally. In addition, between 2001 and 2012, the government exerted pressure on Indian states to lower their entertainment taxes in order to boost film sales. Many governments have eagerly embraced this effort, seeking to boost their film industries through tax incentives and exemptions; as a result, the number of Indian multiplexes has doubled in 2010. This is a small issue because Bollywood earns a large portion of its money in this manner.

The second and most significant shift in government regulation concerns finance, which has an indirect impact on exports due to its impacts on industrial structure. The Industrial

Development Bank of India is currently investing in film finance to encourage private banks, insurance firms, and other financial institutions to participate. The government has authorized 100% International Direct Investments in the film sector in order to attract foreign financing.

In general, Indian government measures are presently having the greatest positive influence on Bollywood's export success. This is not, however, owing to government subsidies or other types of direct assistance. Rather, new forms of private capital have been permitted to pour into Bollywood as a result of legislation, allowing collaborations between production firms and a new breed of distributors. This, rather than the effort of government to support export activities, has led to more efficient finance and more targeted investments by both producers and distributors in marketing and exports. In general, growing and profitable Indian film exports, as well as the rapid growth of Bollywood, are thought to have a substantial beneficial impact on the Indian economy.

Chapter- 06

MARKET ANALYSIS OF BOLLWOOD FILM INDUSTRY

6.1 SWOT Analysis

A SWOT analysis allows an investor to better understand how the market works and the best moves to make in order to succeed. It also makes it easier for managers, supervisors, or a group of employees to understand a problem. The Indian film business offers numerous benefits, but it is difficult to take use of them all if one is not prepared to confront obstacles and dangers along the route to success. It is not easy to start a film production firm. All day and night, you must toil and moil. A SWOT analysis of the Indian film industry will help you decide if you want to start a small firm or build an empire.

Strengths: These are the characteristics in the film business that make it simple to lead a small or large firm to success. The Indian film industry has a wide appeal and a strong presence in the country's main cities. Due to the rich, creative, and original material, there is also a larger audience in the country. Film and television rights are easy to get in the nation. Technology advancements such as internet channels, webstores, and others have aided in the sector's expansion. Low manufacturing costs and large profits are strong incentives to enter the industry.

Weaknesses: Internal issues such as these obstruct the completion of successful film production initiatives. For example, the Indian film business is highly fragmented, and some companies would go to any length to outperform their competition. The absence of regular

production and delivery infrastructures has been a major issue for many small businesses in India. In the lower socioeconomic strata, media saturation has proven difficult.

Opportunities: This section is concerned with the external factors that will facilitate the achievement of the company's aims and objectives. The Indian film business, for example, is rapidly deregulating. Multiplexes, animation, and other technological advancements have paved the way for new options. Due to the low penetration of Indian media in rural areas, there are several chances to invest in these areas. The media business offers a chance to invest due to rising audience and advertising costs.

SWOT Analysis

STRENGTHS

- There is also a Higher viewership in the country due to the rich, creative and innovative content.
- Penetration of the Indian movies in the Global Market.
- Opening of cheap and theaters in rural India by actors and the Govt.

OPPORTUNITIES

- Emergence of Film Festivals.
- Ease in becoming a Film Producer.
- Need of a vast workforce in the future.



WEAKNESSES

- Heterogeneity of the Audience.
- Leaking and piracy of the movies.
- Nepotism in the Indian Film Industry.

THREATS

- Entry of streaming services in India
- Competition by English cinemas.
- Lack of VFX professionals

Figure 25: This represents internal analysis on Bollywood industry.

Threats: These are external variables that might impact a company's performance, and one of the difficulties facing the film business is piracy. Intellectual property rights violations are on the rise, and many film studios are victims. As many producers and project managers abuse the market for fast cash, there has been an increase in the lack of good quality material. Because customers can quickly obtain information online, the advent of technology has robbed film businesses of significant money.

6.2 Comparative Advantage

The notion of comparative advantage has long been recognized as one of the pillars of international commerce. The theory of comparative advantage is an economic theory that describes how people, businesses, and governments benefit from trade. Nations with disparities in their factor endowments or technological capabilities processes. A country's pattern of specialization is defined by the commodities it exports and the volume of each good it sells, both of which fluctuate over time and that the rise or collapse of certain businesses is a reflection of shifting endowments. As well as the necessity to diversify into new sectors where they may gain a competitive edge. When a country has a comparative advantage in a specific industry like Bollywood, it is natural for businesses to invest to take advantage of that advantage, resulting in a relatively high level of investment. AS rate of higher interest going towards the Bollywood movie industry to make more recognisable throughout the world within that industry's level of expertise.

The Ricardian model and the Heckscher-Ohlin theory are two popular trade theories based on

comparative advantage. The Ricardian hypothesis implies that technological disparities lead to comparative advantage across industries. The Heckscher-Ohlin theory connects comparative advantage across nations, while this theory connects comparative advantage across countries.

6.3 Export Value of Indian Cinema

Over time, Indian film makers have recognized the entertainment value added that theatres provide outside of India. Indian films have been exported to its cultural neighbouring countries like Pakistan and Nepal and other nations since the 1930s. During the 1950s and 1970s, Indian films were a great hit in the Soviet Union. The expansion taken place with increasing of Indian immigrants to British and Africa and Sri Lanka and USA etc. all over the globe. Generally, many Indian family-owned businesses ruled the circuit in the past, and it was based on contracts and commissions. After the conclusion of the Cold War and the advancement of technology, grew more globalized. This was the era when Indian movie stars began to gain international acclaim. The popularity of Indian cinema actors and movie songs was regarded as a sign of the country's growing economic power. India has very good Relationship with the Soviet Union with help to excel their representation of film industry.

In a year 2018 the US Department of Trade and Commerce forecasted worldwide media and economic activity mentioned that the entertainment business is expected to be worth 2.3 trillion dollars. Filmed entertainment is expected to increase at a CAGR of 4.1 percent, bringing total worldwide revenue to 104.62 billion dollars by 2019. The Indian film industry has had a spectacular run-in terms of exports in recent years. In the next 5-10 years, the value of film exports is anticipated to surpass about US \$ 2,765 million, the Indian film maker aiming expand their market into countries as New Zealand and Japan, Tanzania, Kenya, Malaysia, Singapore,

Hong Kong, Mauritius, Australia, Singapore, Hong Kong, Mauritius, Tanzania, Kenya, and Malaysia. Indonesia, in addition to the traditional markets of the United States, the United Kingdom, the United Arab Emirates, and South Africa.

6.4 Historical analysis

The fact that data for the Indian film business are even less good than for (the famously tough) film industries in other nations is a fundamental restriction for a historical examination of Bollywood. Neither the Central Statistical Organization (CSO) nor any other organization Central statistical agencies give important information about the structure of the Bollywood business employment. There is also a scarcity of film data. The Central Board of Film Certification is a non-profit organization that certifies films. yearly announces the number of approved Hindi films, but no project information. The number of participants, the budget, or the quality of the performance are all factors to consider. Production numbers are only supplied for a few films and are not gathered consistently, and both budget and collection figures are known to be imprecise approximations or intentionally omitted.

As a result, we focused our historical research on interviews with key informants from the Mumbai film industry (producers, managers, studio owners, and representatives from industry organizations) as well as its supporting businesses (such as the hotel and restaurant industries). Finance and advertising, as well as talent (directors, actors, and editors), as well as information supplied by the Indian media, as well as the rare consultancy reports carried out by industry organizations in India with consulting firms. Demand, government regulation, institutions, social networks, and Mumbai's urbanization all had a part in the emergence of dominant forms of production and coordination, according to the study. companies, as well as for project duties and coordination (to the degree data allowed) modes.

6.5 Analysis of dynamics

We opted to "nest" numerous case studies within the broader Bollywood case in order to explore the dynamics behind the current structure of Bollywood as well as variables supporting and inhibiting its current evolution. Many case studies of film projects serve as key data inputs to the Bollywood case study. Given the large number of firms engaged in each project, as well as the high rate of company leave and entry in general, studying similar initiatives in Bollywood may reveal something about the industry's dynamics. If we simply looked at firms, we would lose out on a cluster. The nested case studies were created in the following manner. We didn't aim to choose a sample representative of all Bollywood film projects in the specified time period due to a lack of data, but we relied on theoretically inferred predictions instead. Those cinema projects that, as a result of their success, not only have the most cultural influence on consumers, but are also the most innovative. Also, the most economically feasible solutions are more likely to be included. Future Bollywood cinema productions will benefit from the largest amount of social learning.

The analysis taken in count by considering a sample of top 20 films in each year with higher collection of box office. Total population of roughly 400- 2000 films release in each year. Especially in Bollywood the rate of releases on average is 100- 1200 each year. Conducted interviews with producer, actor, and director to understand the capacities and aims and future strategies of them for global production of upcoming movie and employment rate.

6.6 Empirical analysis

India is the world's largest film producer, with high number films released since 2005 (for contrast, the United States made 535 films in 2005). Indian film industry giving strong

competition to US film hub of Los Angeles, Hollywood. The Indian film industry is booming towards high growth. The Mumbai film industry, known as Bollywood, is entirely commercial and gaining lot of Subsidies from the government, a combination of big-budget and low-budget films, significant marketing efforts and an unwavering quest of blockbusters in a consumer environment rife with ambiguity. In 2004, Bollywood itself released 244 films, making it the most prolific year in the industry and being dominates Hindi film industry.

As a result, Bollywood has the largest market penetration in India, while not having the most output clusters in Hyderabad (Telugu movie industry) and Chennai (Tamil movie industry) generate more films. Despite its size, Bollywood's yearly turnover much higher than any other industry in India in 2005 it generated 575 million USD is little in comparison to other major film industries across the world due to cheap ticket costs in India. Exports from Bollywood have always contributed for less than 10% of the industry's revenue. However, Bollywood has been the Indian cinema cluster that has been the most successful in tapping into new worldwide industry in the previous two decades and providing number of opportunities. Bollywood, as the only Indian cinema cluster that produces in Hindi, has a large potential audience among non-resident Indians in the United States, the United Kingdom, and Canada, as well as other countries where Hindi is widely spoken are Pakistan, Nepal, and Sri Lanka, for example. There's also a lot of dubbing is going on with number languages. Bollywood film distribution in foreign theatres has always been more profitable. During the previous five years, exports have increased by 30-50 percent annually, accounting for 16 percent of total revenue. Exports are anticipated to rise at a rate of above 20% until 2010 aim to reach 35% by 2025.

Chapter- 07

Conclusion

The Indian Bollywood film business is taking off. Not only does India's pace of development outperform the rest of the globe, but it also has an eye-catching growth phenomenon. It is also the world's largest and fastest-growing commercial film cluster in terms of production. Therefore, Indian film is most paradigmatic and suitable for the development of film clusters outside the Hollywood USA. Also, Indian films making their way abroad, In coming years Indian movie can get more exposure. At present there are 25 international market in particular Gulf, North America and Australia. Despite being the world's top film producer, the movie industry's economic contributions have yet to be seen. Movies in India are regarded for its social link, since they have the world's largest movie audience and the lowest tickets. The Indian film industry has unquestionably developed through time, not just as a major source of money for the country, but also as a highly specialized indigenous sector. The purchasing power of Indians is changing with the rise of the GDP. The industry is growing as a result of lifestyle changes brought about by changes in economic activities.

Bollywood is able reach its targets with their own finance and marketing power, they release about 800+ films yearly this figure only includes Bollywood in total the Indian film industry releases 2000 films. It includes big-budget blockbusters, on a scale equal to Hollywood, but without any presence of large corporate producers help Sony, Universal, or other large studios. Most Bollywood films are considered “indie” by Hollywood standards, with the noteworthy exception that, although independent films are rarely released widely in Hollywood, they are

widely distributed in Bollywood. Many of these Bollywood films have become mainstream box office successes and given competition in Hollywood box office.

Most people in world think that Bollywood just born in recent years, and it is only film industry in India But it wrong Bollywood was Indian pride movie industry which started back in 80's and till remains rapid growing 16% annually rate film industry in world and Bollywood film industry is one of the film industry in India. it gives insights into the globalization of emerging economies' sectors. Taking higher part of developing economy of India, although the examination of Bollywood's home market and government regulation, this market plays crucial role for attracting FDI in development of productivity and production quantity and supporting this industry to reach higher milestones. While a high film budget is necessary for box office success, production companies, particularly newcomers, do not need to rely on celebrities or huge distribution corporations to succeed. This is comforting since it may be more difficult for new production firms to attract stars and large distribution corporations that have already established themselves in the industry.

The industry's export worth would undoubtedly rise as from past years Indian cinema stars gain international recognition and gaining offer to act in main roles of Hollywood films. The international success of Indian films has led Indian entertainment firms to develop, and co-produce Hollywood blockbusters aimed at Western viewers. In future Indian film industry able to reach box office mark Hollywood with producing movies with corporate producers' companies and expand Indian film entertainment to most of counties.

Increased film expenditures and better internet reviews translate to higher Indian box office receipts for Bollywood and other film businesses in the nation. When contrasted to the Indian and Chinese film markets, this comparison is likely valid because there are parallels between

these two large Asian nations, both of which have liberalized in recent years and are now seeing significant economic development. Despite the fact that economic progress is connected with increased buying power for many customers, demand for Indian films in Indian theatres has remained stagnant, whereas it has soared in China. Other possible quality signals have been discovered to have an effect on Chinese film revenues. The usage of stars, sequels, and big distribution firms had no substantial impact on Indian film profits. These findings might point to a competitive Indian film industry in the future. It has been proven in this article that the Indian film industry would be one of the main drivers of the Indian economy. The Indian film industry is a self-sustaining business that is evolving into a highly specialized corporate conglomerate. With the government's help, the industry is positioned to receive significant FDI inflows Findings.

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