Indian cinema is one of the most popular industries across the globe. The vividness and diversity of Indian culture reflects in its movies too. The last few years, have proven to be a bliss for Indian film industry and through its variety film making ranging from commercial cinema to contemporary and serious cinema, it has made a mark on the international platform. Its growing popularity is spanning beyond the all-time followers from UK and the US to surprisingly countries like Nigeria, Egypt, China, Afghanistan and Pakistan.
This industry has shown a commendable spike in 2015 as Indian media and entertainment industry grew by 12% reaching $25.13 billion, according to the *Global Entertainment and Media Outlook 2016-20* by PwC [2]. The industry is expected to grow to $40 billion by 2020 with an average growth rate of 10.3% over the next four years.

- India’s GDP growth rate in 2015 was 7.336% as per the IMF World Economic Outlook, which made it the 9th fastest growing nation.
- Average growth rate from 1980 till 2014 remained 6.27%. During this period, it spiked to an all-time high of 10.26% in 2010 and was recorded the lowest of 1.06% in the 1991.
- According to a report by published by Deloitte in 2013, Indian motion picture and television industry contributes USD 8.1 billion towards the nation’s economy, which is 0.5% of GDP. Also, this sector supports 1.8 million jobs.
- Even though the term ‘Bollywood’ is generally used for Indian film industry but it accredits to only 16% of the overall Indian films. Regional industries like Tollywood, Kollywood, Mollywood among many others are the key contributors and account for almost 50% of the films.

India’s overall growth in GDP and PCI are one of the indicators and driving reasons of the Indian entertainment industry growth.

The box office revenues that were $1.64 billion in 2015 are being predicted to rise to $2.74 billion in 2020, at an average rate of 10.9%. Being the largest in terms of ticket sales, the ticket sales are forecasted to rise to 2.80 billion in 2020 as compared to 2.04 billion in 2015.
• Movie from genres like epics, rom-coms, action movies, and biopics are amongst the most applauded ones by critics and viewers.

• In 2014 end, there were 11,200 screens in the country which was proportionately very low as compared to the overall population.

• Where on one end single screen theatres are closing down and being replaced by new multiplex ventures, on the other, getting license to start these multiplexes is the biggest challenge being faced by the entrepreneurs.

• Despite all the promising statistics, this industry has a very low screen density. In order to keep up with the global markets, rapid growth in infrastructure and multiplex screens is urgently required.

• Current shortage of screens deprives some non-commercial films of enough screen time, in order to compensate for the popular ones.
Resources


• This scarcity of screens is adversely affecting the box office revenues and slowing down the potential revenue generation in this industry. More number of multiplex screens needs to be added at a much faster rate in order to increase the revenues. With 10,000 more screens the revenues can be almost doubled.

• Multiplexes need to pay approx. 45% of their revenue in tax. In addition, sky-high real estate prices demotivate the addition of new screens. Thus, good business models backed by government intervention are needed, so that the Indian film industry can reach its maximum potential and compete at the global platform.