

INDIAN PUBLISHING INDUSTRY

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Indian Publishing Industry: An Overview

Indian Publishing Industry is considered as the sixth largest publishing industry in the world. Specific to the English language, this industry stands at the second position. In the digital era, where Print media is losing its identity, India's Publishing sector is still a dominant force. In today's world, excessive use of technology and computers have transformed all sectors including the publishing industry. Interestingly, India is one of the very few markets in the world that continues to witness growth in the print as well as Digital Publishing sector. Indian market is home to approximately 19,000 publishing houses which is estimated at USD 2 billion. The digital part of the publishing sector in India is emerging at an exponential rate. The e-book market, however, is small but is growing at a notable speed. The e-book market is directly dependent on e-reading devices. As soon as e-reading devices become cheaper, the e-book market will show its full potential.

Indian Advantage

As populous as India is, with approximately 1.3 billion people, the country witnesses more than 900 million readers. The country has a literacy rate of 74% and the country's citizens have a wide range of reading interests, which opens many opportunities for the publishing industry. India needs a varied range of content creation as well as thorough dissemination. To meet the ultimate goals of all readership requirements, the digital, as well as the print publishing, will have to work together and effectively complement each other.

There are 234 million people who use the Internet in an Indian language and a mere 175 million who use English as a medium to operate the Internet. The gap between these two kinds of Internet users is expected to grow, as the trend shows that people prefer local language over any other language. The Hindi language forms the major part of this language mixture, about 35%, Malayalam- 8%, Bengali- 6%, Marathi- 4%, and Others- 47%. This shows that publishers have a huge opportunity to venture into publishing in any of these above-mentioned languages.

Market Overview

The ad revenue generated from the Indian Print media is approximately US\$ 310.3 million (Rs. 22,121.8 Crores) in 2018. The number grew by around 5.6% and is expected to become USD 314.5 million (Rs. 22,424.3 crores) by the end of the year 2019.

In India, the growth observed in Print readership is 4.4%. Earlier at 407 million, the figure now stands at 425 million. Hindi dailies grew at a CAGR of 3.9% whereas the regional dailies grew at 5.7%. The English newspapers, on the other hand, has increased exponentially and registered a 10.7% growth. There are 186 million Hindi dailies readers, while the number stands at 211 million for regional readership.

Specific to magazines, the numbers of Indian readerships stands at 87 million. Significant growth can also be observed in the readership of business magazines. Online newspaper readerships have also grown at a healthy rate. The Indian publishing industry is growing continuously. The main reason for the Publishing sector's growth is because of the authenticity, and credibility of the news that they offer to the readers.

Print media attracted most of the government spends as well as political campaigning during the 2019 Elections. Another major part of the print media was from education and real estate advertising.

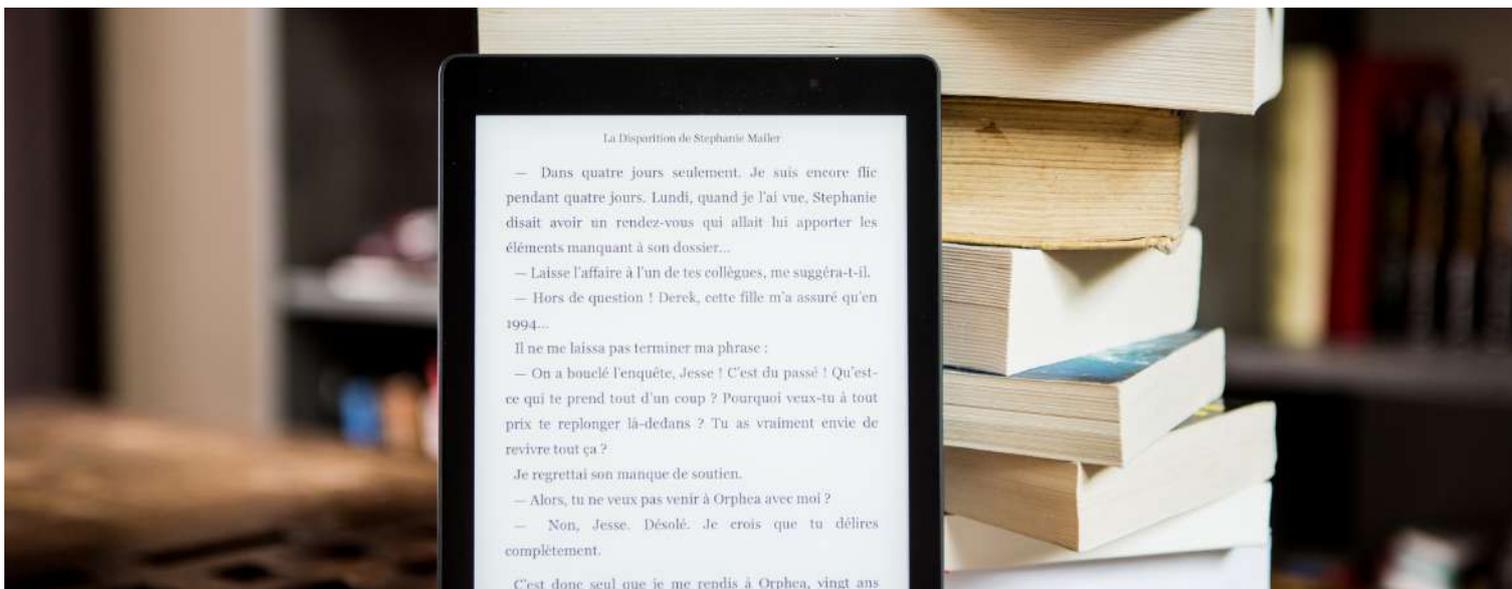
As per a study, on average, people in India read books approximately 2.1 times each week. On the other hand, 66.67% of the entire Indian population go for occasional reading. Of the people surveyed, 56% tends to buy at least one electronic book each year, and 50% of them buy at least three to four electronic books each year. This shows the growing demand for e-books in the Indian Market.

The Academic Publishing Industry of the country also flourishes, mostly because of funding from Corporate Social Responsibility. The growing emphasis on education is stimulating the demand for academic publishing.

Latest Trends and Strategies

Digital Publishing: Indians have switched from the traditional book store to online store. This has revolutionized the technical infrastructure for the publishers as well as the authors. Digital publishing has effectively addressed the ever-changing needs of consumers. Companies like Flipkart and Amazon are assisting the digital adaptation of the publishing sector.

E-publishing is expected to grow at an exponential rate. The expansion of the publishing sector into brand new landscapes flourishes the e-book market. As the country's population are adopting gadgets wholeheartedly, they are adding to the e-publishing sector. From hard copies of the books and magazines to soft copies of the same, the e-book trend is here to stay. To match with the market's trend, almost 70% of the entire publishers have already adopted digitization.



Self-publishing has given the sector an ultimate push towards growth. Authors are appreciating the concept of self-publishing and establishing a healthy trend in the sector. In India, it has now grown to become mainstream. - Kindle Publishing

Bold Book covers: Even though the publishing sector is hardly predictable, certain factors indicate the sector's trend. Cover designs impact the perception of the readers. So the trend is to invest in bold book covers with bold colors.

Growth Drivers

The Indian Publishing sector is mainly driven by big launches and advertising campaigns. Also, the huge growth in smartphones has aided the growth of the Publishing sector of India.

Another most important growth driver in this industry is E-commerce. They have altered the existing landscape of the publishing sector. With the incorporation of technology in the sector, the process of publishing a book, buying them and owning them has become much simpler than ever before. E-commerce websites have made the reach of various books of multiple genres extremely straightforward, thus increasing their discoverability.

Improvement in literacy rate: India's overall literacy rate has seen a significant surge in recent years. The statistic now stands at 74.04%, which is soon to become 90% by the year 2020-21. This increases the current book market in India.

Investment Opportunities

Export of School Publishing Content: The extremely vibrant publishing ecosystem of the country is able to offer innovative models to further expand the sector. Africa and South-Asia offer a target market for the Indian Publishing sector.

India holds third rank in the world for English Language Publishing. A lot of investment and growth opportunities can be observed as the country offers a market for almost 22 languages.

Around 26% of the FDI is allowed under the approval route through government for newspapers and periodicals publishes. These deals only with the current news and affairs. Another 26% FDI is allowed for the Foreign magazines' in Indian edition. 100% FDI is allowed for printing as well as publishing of technical and scientific magazines or journals or periodicals. Further 100% of FDI is allowed for foreign paper in facsimile edition. Also, 100 % FDI is allowed for the publishing houses.

Major Players

S. Chand Group: Founded by Late Mr. Shyam Lal Gupta, in 1939 and based in New Delhi, this is the oldest & largest Indian publishing company. The house publishes primary and secondary education books, college books, customized books, e-books, digital content etc. The group sells 15,000 titles and serves 20 million students spread across 40,000 schools and educational institutes. Books of this publishing house are distributed across India and South Asia, South-East Asia, Middle East and Africa.

Penguin India: This is a part of the Penguin group which came to India in 1985. The company has grown to become the country's most sought-after publishing house. It is the largest English language trade publisher in the subcontinent. Publishing started in 1987 with only six books. In 2017, they have around 250 new titles every year, along with an active backlist of over 3000 titles to top that. They are known for modern fiction as well as narrative non-fiction, including biography, travel, business, politics, history, religion and philosophy, lifestyle, cookery, health and fitness, sports and leisure, illustrated and children's books.

Harper Collins Publishers India: Carrying the international legacy forward, Harper Collins started its division in India to establish itself in the Asian subcontinent. The publishing house is mostly known for its exceptional editorial and long-lasting connections with booksellers.

Jaico Publishing India: Founded by Jaman Shah, this publishing house is a U.S. paperback distributor. Jaico is one of the country's oldest English language publishing house.

Arihant Publications: Founded by Mr. Yogesh C Jain, the house publishes books for IIT/JEE. The company also publishes books as well as magazines for the country's competitive exams like CAT/MAT, IAS/IPS, NDA/CDS, NET, GATE, SSC, Banking, Railways, etc.

Road Ahead

The Indian Publishing sector is booming at an accelerated pace. There are major merger and acquisitions going on in the sector to offer quality products and services. 9000 publishers, 2100 retailers, 22 official languages; 1600 - if including regional dialects, all together offers a lucrative market. Increase in the country's literacy rate and adoption of the internet are adding to the growth of the publishing market. The market for the e-books also offers many opportunities for market players.



Conclusion

The Indian Publishing Sector looks promising mostly because of the wide potential target market that the country has to offer. The sector has witnessed major changes and will continue to transform due to the internet revolution. Even though digitalization is taking over the market, print media is here to stay in the Indian market as it offers integrity and authenticity to the information. Multiple investment opportunities are available in India for the market players to leverage. Further currently, Covid has a moderate impact on print media, but digital publishing is thriving like never before and the industry is expected to attract huge demand towards video content and interactive content companies, with covid mandating new ways of learning, infotainment, edutainment and entertainment sectors are bound to grow.

Dear Valuable Client / Colleague,

In case you require any further detailed analysis on above mentioned content, please do get back to us and we shall be happy to provide you the same.

With Best Regards,

Team JPC

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J P Chawla & Co. LLP

Chartered Accountants

New Delhi office:

43 Darya Ganj,
New Delhi - 110002
INDIA

Noida office:

C-129, Sector 2,
Noida - 201 301 (U.P.), INDIA
Phone: +91-120-4573207, 4573208
General Email: info@jpc.co.in

Main Partners Hand Phone & Email

Rajat Chawla

+91-9871494499 | rajatchawla@jpc.co.in

J.P. Chawla

+91-9811028918 | jpchawla@jpc.co.in

Richa Chawla

+91-9990509709 | richajuneja@jpc.co.in

For further information, please email your details to rajatchawla@jpc.co.in or call +91-9871494499.

