

THE INDIAN



MUSIC INDUSTRY
Formerly IPI Estd. 1936

THE INDIAN MUSIC INDUSTRY

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THE INDIAN MUSIC INDUSTRY

ANNUAL REPORT OF THE EXECUTIVE COMMITTEE (GOVERNING BODY) OF THE INDIAN MUSIC INDUSTRY OF THE ACTIVITIES OF THE ASSOCIATION DURING THE YEAR ENDED 31ST MARCH 2019

	Update	IMI's Work / Initiatives
1.	Anti-Digital Piracy Campaign	<p>IMI in partnership with the Maharashtra Cyber Digital Crime Unit (MCDCU) of Maharashtra Police are working together to block infringements directly. On an average 7 sites per month which are music related are taken down and suspended. For FY 2018-19, 68 music related sites out of a total list of 152 sites were suspended.</p> <p>Currently working with MCDCU to build automated capabilities to track social media infringement on short-form video/audio content apps that rely on recorded music repertoire.</p> <p>IMI plans to conduct a series of roundtables which highlight the economic impact of piracy on the music ecosystem. These would serve to provide greater focus on music piracy, which currently gets side-lined in anti-piracy initiatives owing to the dominance of sports broadcasters' agendas. IMI seeks to establish a greater voice on music piracy in India.</p> <p>The DPIIT, in association with WIPO, hosted a conference on Global Digital Content Market (GDCM) 2018, from 14th- 15th November 2018. broadcasting and publishing, as well as collective management, emerging models and the implications for the market and policy makers. IMI curated a panel on "Music: New Channels and New Models", with IMI Board Members: Vikram Mehra (Saregama), Devraj Sanyal (UMG), Mandar Thakur (Times) as well as KT Ang (UMG) as panellists. The event was capped by a cultural event organized by IMI with the theme 'Bollywood Through the Ages'.</p>
2.	IMI Participation (Thought leadership) at	<p>CII organized its national confab for the creative industries on the changing media and entertainment</p>



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	Industry and Government events/roundtables	<p>landscape – “The Big Picture” on 6th December 2018. IMI curated a panel on “Music in the digital age” highlighting the opportunities and threats to the growth of the recorded industry including, fair value, value gap and piracy, with IMI Board Member, Aditya Gupta, regional members like Mahua Lahiri (Asha Audio) and Lauri Rechartd (IFPI) as panelists.</p>
		<p>FICCI Frames - Asia's largest annual global convention on the business of media and entertainment. IMI curated panels on revenue generation models for the recorded music industry, value gap and intermediary liabilities.</p>
		<p>Round table on piracy with stakeholders which included members of the advertising fraternity. The advertising fraternity were alerted about the possibility of an IWL. In addition, content creators were consulted on how the IWL should be prepared and case studies of EU countries and the USA were discussed.</p>
		<p>Conference organized by DPIIT and MDCDCU in Mumbai in Jan 2019 on IPR enforcement. IMI curated and moderated a panel on copyright infringement. Advertising fraternity provided assurances that they would support any IWL that has been vetted by a Govt. authority.</p>
		<p>IMI has been regularly called upon by chambers of commerce and business advocacy organisations such as USIBC, UKIPO, USPTO to provide thought leadership and insights on music piracy.</p>
3.	Representations	<p>IMI made a representation to Ministry of Electronics and Information Technology with respect to the proposed Draft Information Technology [Intermediaries Guidelines (Amendment) Rules] 2018.</p> <p>IMI made a representation to DPIIT on the draft National e-commerce policy, 2019 which proposed anti-piracy measures to tackle online distribution of pirated content.</p>

	<p>IMI made recommendations to the Copyright Office, DIPP in relation to the draft guidelines for the proposed voluntary registration system.</p>
	<p>Representation to the High Commissioner of India to People's Republic of Bangladesh, High Commission of India; Joint Secretary, DIPP (now DPIIT) on the negative impact of Section 49(a) of the Import Policy 2012 - 2015 of Bangladesh, Ministry of Commerce on Indian content in Bangladesh.</p> <p>IMI stated in its representations the implications of the ban on the commercial exploitation of Music produced in India in Bangladesh. This led to Indian music productions being blatantly pirated in Bangladesh causing a loss of revenues to the Indian Music Industry. As a consequence of the ban, the investment plans of Indian content owners were put in jeopardy, who had invested heavily in the Bangladesh market. IMI also stated the consequences of the order passed by the High Court Division of the Supreme Court of Bangladesh, by which mobile service providers were constrained to take down Indian entertainment content such as ringtones, call back and other value-added services from distribution in the territory of Bangladesh. IMI expressed concerns that the ban might promote piracy of Indian content in Bangladesh.</p>
	<p>IMI made a representation to Spl. IGP, Cyber & Paw, Mantralya, Mumbai about the menace caused by piracy to the Indian Music Industry. IMI expressed its interest in being a part of Maharashtra Cyber's Digital Crime Unit (MCDCU) to address the problems of piracy in the interests of the music industry in India along with its associated members. IMI volunteered to initiate a Proof of Concept project with MCDCU by providing one resource person to the MCDCU team for 6 months to assist in taking proactive measures against music piracy.</p>
	<p>IMI made a representation to Secretary General, FICCI & Secretary, Ministry of Information & Broadcasting on the new Media & Entertainment Policy.</p>



	<p>IMI made recommendations for the new Media and Entertainment Policy both at the Macro and the Micro Media & Entertainment industry.</p>
	<p>Representation to Director, DIPP (now DPIIT) ; Registrar of Copyrights, and Director, Broadcast Section, Ministry of Information & Broadcasting on the growth of radio in India. IMI shared two independent media reports with the mentioned authorities which highlight the now extremely profitable businesses run by Private Radio Operators in India. IMI appreciated the resilience shown by the private radio sector to external policy shocks like technology and GST.</p>
	<p>Representation to TRAI regarding music piracy on websites ending with (dot)pk. IMI stated in its representation the harm caused by websites ending with (dot)pk to the Indian music industry. IMI further brought to the notice of TRAI that if these websites are not taken down, they have the potential of derailing the Digital Broadcasting Radio plans of the Government of India. IMI sought support from the TRAI's Data Services Division to find a permanent solution against websites ending with (dot)pk which are a threat to the Indian Music Industry and given the power of digital broadcasting, have the potential to be a national security threat.</p>
	<p>Representation to Joint Secretary, Ministry of External Affairs and Joint Secretary, DIPP (now DPIIT) in favor of accession to WPPT.</p> <p>IMI stated in its representation that accession to WPPT by India would be a step in the right direction. IMI highlighted the positive outcomes to be gained by acceding to the WPPT, such as international protection of works, generation of revenues from growing global digital content markets, ensuring that Indian right holders receive revenue from the use of their work abroad, encouragement of investment both by domestic and foreign investors and protection of local culture and creativity. Additionally, this accession would help</p>



		<p>aligning India's copyright law with existing international treaties.</p>
		<p>IMI made a representation to the Advertising Standards Council of India regarding advertisements on infringing websites. IMI stated in its representations to ASCI about the large number of websites hosting illegal content in India and the massive revenues earned by them through placement of ads on such websites. IMI stated, through facts and figures, that the rampant online piracy could be curbed significantly by ASCI blocking of advertisements on these websites.</p>
		<p>Dialogue established with TRAI on the consultation paper issued by TRAI on issues related to digital radio broadcasting in India. IMI highlighted the need for broadcasters to ensure fair value remuneration for content licensed; explaining the disproportionate revenues generated for the recorded industry from broadcasts, as compared to the revenues generated by the broadcasters. IMI also highlighted the inability of record companies to freely negotiate terms with broadcasters, due to a combination of remuneration rights, statutory licensing, and rate setting by the Copyright Tribunal.</p>
		<p>Representation made to the DoT in relation to the proposed National Digital Communications Policy 2018, seeking provisions for fair remuneration for copyright holders in light of the Office Memorandum issued by the DIPP, the existing challenges with statutory licensing and the best practices advocated by the WIPO treaties.</p>
4.	Events & Reports	<p>IMI established an Eastern Working Group to specifically look into the challenges faced by the recorded music industry in India. The working group will comprise of Mr. D. Lahri (Director, Asha Audio), Mr. Prem Kumar Gupta (Director, Raga Music) and Mr. Biplab Updhaya (Sr. Manager, Times Music). Mr. Devraj Sanyal (MD & CEO, UMG), an IMI board member, will be the Sherpa of the eastern working group.</p>




		<p>IMI proposed to hold the IFPI Global Board Meeting in India in November, 2019.</p> <p>A workshop was held in May 2018 for the Eastern Chapter of IMI members on music industry legal matters, music industry digital trends, music piracy and content monetization.</p> <p>Organized round-table conclaves in the month of April 2018 for the Northern and Southern Chapters of IMI members with the objective of strengthening specific regional chapters of the music industry with updates from international and national trends and to allow an open forum for discussions specific challenges in regional markets. IMI seeks to engage with IFPI on the content for these conclaves.</p> <p>IMI organized the Indian Music Convention on a national level for all the key stakeholders in the Indian Music industry including: the major labels (international and domestic), regional labels, collection societies and the Govt. of India (representatives).</p> <p>Proposed roundtables on the compulsory licensing order passed in 2010 by the Copyright Board fixing the rate of licensing at 2% Net Advertising Revenues as well as anti-piracy.</p> <p>IMI released <u>Audio OTT Economy in India</u> - A report based on a study by the Indian Music Industry (IMI) and Deloitte was launched on the 12th of February on the Audio OTT Economy in India. The report highlights the contribution of the recorded music industry to the growth of the audio OTT platforms.</p> <p>IMI released the <u>Digital Music Study, 2018</u> - a report which discusses and analyses insights for India based on IFPI's Music Consumer Insight Report, 2018.</p> <p>IMI released the <u>Vision 2022 Report</u> which discussed India's roadmap to the top 10 music markets in the world by 2022.</p> <p>The 3 reports launched by IMI in the Calendar Year 2018-19 have helped regain thought leadership back to the investors in the recorded music industry who are the primary movers and shakers via their investments. The impact of these IMI reports can be gauged from the references made to these reports in the domestic and international media and increased the narrative for the recorded music industry.</p>
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5	Section 31D, Copyright Act, 1957 - Statutory Licensing	Representation made to the DPIIT on the Draft Copyright (Amendment) Rules, 2019 seeking non-inclusion of "each mode of broadcast" within the ambit of entities eligible for Statutory Licensing in India.
6	Litigations	IMI continues to provide advisory support to its members, especially where the matter espouses common industry agenda, including fair valuation for rights holders and transparency in royalty compensation procedures.
7	Membership	The count of IMI members stands at 205 at the end of FY 2018/19.
8	ISRC Codes	IMI received 78 submissions for ISRC codes in FY 2018/19. This bring the total count to 922 since inception.
9	Executive Committee	The Executive Committee at the end of FY 2018/19 comprised of the following representatives/nominees from member music labels: Mr. Vikram Mehra (Chairman); Mr. Shridhar Subramaniam, Mr. Kumar Taurani, Mr. Devraj Sanyal, Mr Mandar Thakur, Mr. Aditya Gupta (Members), Mr. Blaise Fernandes(President & CEO)

Sd/-



(Blaise Fernandes)
President & CEO

Sd/-



(Abhimanyu Singh)
Interim Secretary General

Dated 14.11.2019