

Outside of entertainment, infrastructure biz is exciting: Subhash Chandra

There are many activities within overall infrastructure ambit which will be useful and meaningful for society: Essel group chief

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On Sunday, the Essel Group will mark 90 years of its existence, from starting out as a company that supplied processed food grains to the Indian Army to what it is today, a media and manufacturing conglomerate valued at just about \$3 billion. In an exclusive interview with *BusinessLine*, Subhash Chandra, who built the Zee Media network and Essel's other businesses from the ground up, talks about the changing environment for news and entertainment, his own political ambitions and the how Essel will stay relevant in the future.

It has been a long journey for you in the business. Could you foresee Essel Group valued at \$3 billion when you started out?

Numbers have never been my focus. When I started my career, my single objective was to pay off the family's debts. Once that was done, the objective was the grow the business, I had to find work and activity for my three brothers as well. And while building Zee, the objective was to bring entertainment close to people and to bridge the gap between the government and the governed.

Zee Entertainment's vision for 2020 was to become among the top 10 global media houses with

a viewership of 1 billion and 50 per cent of revenues coming from overseas. Where do you stand now?

We have already hit that number of 1 billion, much before 2020. In terms of profitability numbers, we still have a long way to go.

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What is your strategy for the overseas business? What are the main focus markets abroad?

Currently, it brings about 20-25 per cent of revenue. That has to grow, because now we're going into content for the non-South Asian diaspora. We're doing this in two ways, one is re-purposing our existing content to meet local needs and second, starting producing global content. In revenue terms, the US still remains our best market. Because of our expansion in Latin America, we feel that we will further strengthen there as well.

The market for content is changing rapidly. Anybody can create content and host it for almost free now. How are you dealing with this?

Markets have always been changing. The kind of content we were making in 1992 changed by 1997-98. And now because of digitisation, there's a radical change. OZee and Ditto TV (Zee's online platforms) will be the next generation of content and technology.

What kind of new content would you want to make?

There is certainly a big gap in India, which is documentation, going back in time in terms of history, geography, etc.

Today, the world is seeing history, geography from the Western perspective, and many times that may not be true. For example, if Lokmanya Tilak on Google is considered an extremist. I'm not saying whether it's true or not; I see him as a social reformer. So I want to go deep into it, and check it out and find the truth and present it without any biases.

How is monetising the content that you create going to change? Monetisation is a challenge everywhere.

My prediction is that every content platform online will have a dual model. They will have user-generated content that will be free and better, professionally created content which will be paid. Within the next 10 years, I think this will start happening.

Do you see yourself competing with the likes of Amazon, Netflix and others?

Yes, we will compete on one hand, we will be their supplier on another hand: as long as they pay me good

money for my content. Our production house Essel Vision has a mandate, it should produce for everybody, not only for Zee.

Let's talk about the vision for the rest of Essel Group's businesses outside the entertainment business?

Essel Propack has become a global specialty packaging company, that objective has been achieved. I would advise (the team) that now they should widen their horizon and come put from the specialty packaging, expand into the other areas of packaging, or they have to exit their business.

For our infrastructure business we are working on to become most admired in the country. Today for them L&T is their benchmark, so at some stage they have to gain more respect than even L&T among infrastructure companies. For education, we don't know yet, be-

cause the new education policy of Government has to come. We are recommending that both models of education should continue in parallel; one is to provide free education in public sector, but they also should allow private educational institutions to start taking profits, which currently is not allowed. If that is done then I think we have a vision for Zee Learn to become an admired education company. The future is to create your own IPR (intellectual property rights) in every business.

Where do you want to create your IPRs, outside of entertainment business?

Now the next generation has to think, why should I.

But what is the business outside the

entertainment that excites you the most?

The infrastructure business is good, exciting. For example, there is the project ASHA2022 in affordable housing that I gave my team - they have not yet cracked it. Because giving low-cost housing is not the solution. If people have to come there, you want to give them livelihood somewhere close to that area or within that development, so what is that going to be. But I'm sure they will crack it. Another thing I've given my team is to find out is there any way to make villages smart villages. I always believe that unless private people start doing things, government alone cannot do it.

Modiji will not like this statement, but the fact is that people are enjoying this Smart Cities money, every State is enjoying it, few large people are taking a chunk of this money, their balance sheets will get bloated, eventually I think that will fail. There are many other activities of this kind within overall infrastructure ambit that we are working on. Which will be useful and meaningful for society, that is what will interest me more.

You have exited the management of the business, but do you still give overall directions to the group?

I am now advising everybody, to my own sons, to my brother's sons, to my brothers. I'd like to do more for of DSC Show (a motivational show on Zee News), DSC Foundation activities, I'm giving some time to Rajya Sabha. I'm happy if they don't take more than a once-in-a-month kind of time from me, and I just review and advise them.

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SUBHASH CHANDRA,
Chairman, Essel Group

