

**GOVERNMENT OF INDIA  
COMMUNICATIONS AND INFORMATION TECHNOLOGY  
LOK SABHA**

UNSTARRED QUESTION NO:4541  
ANSWERED ON:11.08.2014  
DEVELOPMENT OF ANIMATION SECTOR  
Gaddigoudar Shri Parvatagouda Chandanagouda

**Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:**

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- (a) whether the Government has any proposal to encourage Animation Sector based on Information Technology (IT) in the country;
- (b) if so, the details thereof and the steps taken by the Government in this regard;
- (c) the number of entrepreneurs engaged in the said sector along with the scope of growth and employment potential assessed in this regard;
- (d) whether several foreign orders for outsourcing animation services have been obtained by Indian companies; and
- (e) if so, the details thereof?

**Answer**

MINISTER FOR COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI RAVI SHANKAR PRASAD)

(a) and (b): According to the Ministry of Information and Broadcasting (I&B), the demand for trained manpower for animation and gaming exceeds the current supply and non-availability of talent has become a key challenge for Indian companies. The Ministry of I&B proposes to set up a National Centre for Excellence in Animation, Gaming and Visual effects. A detailed project report for the same has been prepared based on which Planning Commission has accorded outlay of Rs. 57 crore under 12th Plan. The Government of Punjab has allotted 12 acres of land for the center in Mohali, Punjab free of cost.

Further, National Institute of Electronics & Information Technology (NIELIT), an Autonomous Scientific Society under the administrative control of Department of Electronics & Information Technology (DeitY), has launched National Level Scheme in Animation and Multimedia Technologies at O and A Levels in February 2014.

(c): According to the National Association of Software and Services Companies (NASSCOM), currently there are around 20 Animation Studios, 10 Visual Effects (VFX) companies and 200 Game Development Studios in the country. The Animation Industry currently employs around 80,000 employees. As per FICCI-KPMG's Indian Media and Entertainment Industry Report 2014, the Indian Animation and VFX industry is expected to register a CAGR of 15.9% to touch INR 82.9 Billion by 2018.

(d) and (e): According to NASSCOM, there have been foreign orders obtained by Indian companies for outsourcing. NASSCOM members are reported to be working for global clients including USA, Argentina, and Malaysia order for animation, VFX and gaming.