

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

UNSTARRED QUESTION NO:2629
ANSWERED ON:17.03.2006
GROWTH OF ANIMATION INDUSTRY
Thomas Shri P.C.

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

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- (a) whether several entrepreneurs have come up in `Animation Industry`;
- (b) if so, the details thereof and the scope of growth and employment potential for this industry;
- (c) whether several foreign orders for outsourcing has been obtained by Indian companies;
- (d) if so, whether the Government has any scheme or plan to encourage this sector; and
- (e) if so, the details thereof?

Answer

MINISTER OF STATE FOR COMMUNICATIONS AND INFORMATION TECHNOLOGY (DR. SHAKEEL AHMAD)

(a) (b) and (c): Yes, Sir. As per NASSCOM, Animation is one of the fast going up sectors in the IT industry. Several companies such as Tata Elxi Ltd, Pentamedia Graphics Limited, Global Soft Private Limited, S.G. Martin Infoway Limited, Crest Animation Studio Limited, FXLabs Studios Pvt Ltd, XS CAD India Pvt Ltd etc., have come up in the sector. The latest NASSCOM report on Animation and Gaming industry in India-estimates the global market size (demand perspective) of industry will witness a CAGR of eight percent and is expected to reach USD 75 billion by 2009. Based on this, the global animation market (from the developers` perspective) is expected to increase to USD 35 billion by 2009 from USD 25 billion in 2005. The size of the Indian animation market was estimated at USD 285 million in 2005. It is expected to witness a CAGR of 35 percent from 2005- 2009 and increase to USD 950 million by 2009. Additional trained personnel to the tune of 30,000 by 2009 has also been estimated. Global entertainment majors like Walt Disney, Imax, Warner Brothers and Sony are signing up contracts with Indian animation companies.

(d) and (e): The Film and Television Institute of India has started a certificate course in Animation and Computer Graphics from the last academic session. The Government of India, Ministry of Information & Broadcasting has entered into Government - to - Government co-production agreements with Italy and U.K., so that producers from these countries are willing to do business with the Indian animation sector. The animation sector is considered at par with Information Technology (IT) and import duties on various film related equipment have been reduced. A sub-group on `Animation and Gaming` has been set up under the Committee on Information, Communication and Entertainment (ICE) to consider issues relating to this sector. The steps taken by the Government to promote IT Exports are given in the Annexure.