



# Animation, Visual Effects, Gaming and Comics (AVGC) Sector

For Prelims: AVGC Sector.

For Mains: AVGC Sector, its importance and related issues, Government policies & interventions.

## Why in News?

In the [Budget 2022-23](#), the government announced to set up '**Animation, Visual Effects, Gaming and Comics**' (AVGC) task force to "build domestic capacity to serve Indian markets and global demand."

- Earlier, the Karnataka High Court delivered a [judgement striking down major portions of the Karnataka Police \(Amendment\) Act, 2021](#) which banned online gambling and skill-based gaming platforms.
- In 2021, the Ministry of Information and Broadcasting in collaboration with IIT Bombay decided to form a **Centre of Excellence in gaming and other related areas**.

## What is the importance of the AVGC Sector?

- **Play Larger Role in Meeting Global Demand:**
  - It will **prepare India to play a larger role in building Metaverse**, help in catering to the Indian market and in meeting global demand.
    - A **metaverse is a network of 3D virtual worlds** focused on social connection and it can be defined as a simulated digital environment that uses [Augmented Reality \(AR\)](#), [Virtual Reality \(VR\)](#), and [blockchain](#), along with concepts from social media, to **create spaces for rich user interaction mimicking the real world**.
  - It **could also open up new avenues for players and platforms as well as formalise game art education** since most in the industry learn experientially.
- **Contribution in Revenue:**
  - The **number of gamers in India grew to about 400 million by mid of 2020 from about 250 million gamers** at the end of fiscal year 2018-19.
  - This makes it the **second largest base of online gamers** in the world after China.
  - Online casual gaming, which forms a large chunk of the total gaming revenue, is projected to grow at a [Compound Annual Growth Rate \(CAGR\)](#) of about 29% over the next four years to **reach revenues of Rs 169 billion by FY25**.
- **Employment Generation:**
  - The potential for job opportunities in the AVGC sector is humongous.
  - The number would vary between around **70,000 to 1.2 lakh job opportunities** for the entire space.

## What are issues with the AVGC Sector?

- **No Formalisation:**
  - The AVGC sector is **growing rapidly** but there's a void for good programmers, graphic designers or esports managers because there are **no formal gaming courses**.
- **Regulatory Issues:**
  - Regulatory clarity continues to be a bug bear for the space as **various State governments have dragged these companies to court** over allegedly being akin to gambling.
    - This is **something that these companies have vehemently denied** saying they are **not 'games of chance' but rather 'games of skill.'**

## Way Forward

- There needs to be an **equal amount of Central and State participation** to ensure regulatory clarity comes out in this space.
- The task force should look into aspects such as how to build capacities, how to embed this into education systems to build more future capabilities.
- It is necessary to find ways to **formalise some of the education in this sphere**, so that the country has animators, designers and people who can conceptualise, code and create those games and environments from India.

**Source: TH**

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