

PROCEEDINGS OF THE GOVERNMENT OF KARNATAKA

Sub: Approval of Karnataka Animation, Visual Effects, Gaming and Comics Policy 2017-2022 – reg.

Read: Government Order. No. ITD 23 MDA 2009 dt. 07.01.2012.

Preamble:

Karnataka State, especially Bengaluru, is known world-wide for its IT prowess. The media and entertainment sector has also benefited from the ecosystem of Bengaluru. The Animation, Visual Effects, Gaming and Comics (AVGC) sub-sector has particularly thrived in Bengaluru on the technology strengths and the availability of talent in the city. Karnataka State is the first in the country to announce a separate policy for AVGC sector in the year 2012 vide Government Order dated 07.01.2012 read above. After completion of five years of the policy, it is necessary to revisit and frame a fresh policy for the KAVGC sector, keeping in view the changing needs of the industry and in view of the technological innovations happening in the sector.

2] Government of Karnataka aims to foster the AVGC industry to build sustainability, scale and critical mass, and support the development of creatives in the State. To facilitate various objectives of the policy, a host of incentives and concessions shall be applicable for the industry throughout the policy period. Apart from these, fiscal incentives/concessions /subsidies/grants available under the Karnataka Startup policy 2020 and the Industrial policy 2014-19 shall be equally applicable for all AVGC companies.

3] The Karnataka registered AVGC companies may be given patent registration incentive, PF/ESI incentive, international marketing incentive, power tariff concession, production grant for animation cartoon series, production grant for animated feature film, production grant for games, production grant for visual effects / virtual reality / augmented reality projects, production grant for international productions etc. Total estimated budget for incentives in the policy period (5 years) is approximately Rs. 78 crores based on the number of applicants. Applicability of various fiscal incentives and concessions is detailed out in para 6 of the AVGC policy annexed. To avail these incentives and concessions, the AVGC Company must be registered with Karnataka Biotechnology and Information Technology (KBITS).

4] Apart from the above, Government of Karnataka proposes to exempt all AVGC companies from the applicability of Karnataka Industrial Employment (Standing Orders) Rules, 1946, for a period of 5 years, with appropriate clause for protection of women employees and prevention of sexual harassment in workplace. Also, all AVGC companies shall be treated on par with public utilities to exempt them from the disruptive effects of general strikes/bandhs.

5] Hence the following Order.

GOVERNMENT ORDER No. ITD 13 PRM 2016, Bangalore, Dated:28.07.2017

In the circumstances explained in the Preamble, Government is pleased to accord approval for Animation Visual effects, Gaming and Comics Policy 2017-2022, for Karnataka State as annexed to this Government Order.

2] This Order issues with the concurrence of Finance Department vide No. FD 2140-O/o ACS, FD dated 03.05.2017; Planning Department vide No. PD 47 FRO 2016, dated 25th February, 2017 and vide Cabinet Case No. 492/2017 dated:19.07.2017.

**By order and in the name of the
Governor of Karnataka**


(Shidramappa H Talawar)

Under Secretary to Government
Department of Information Technology,
Biotechnology and Science & Technology



To,

The Compiler, Karnataka Gazette for publication in the extraordinary Gazette and with request to supply 200 copies.

Copy to:

- 1) The Principal Accountant General Karnataka, Audits & Accounts, Bengaluru.
- 2) The all ACS / Principal Secretaries/ Secretaries to Government.
- 3) The Director, IT and BT, Bengaluru.
- 4) The Managing Director, KBITS, Bengaluru.
- 5) The PS to Chief Secretary to Government (Cabinet Section), Vidhansoudha, Bangalore.-
(Cabinet Case No. 492/2017 dated:19.07.2017)
- 6) The P.S. to Principal Secretary to Government, Dept of IT, BT and S&T, Bengaluru.
- 7) The P.S. to Hon'ble Minister of State for IT, BT and Tourism.
- 8) Guard File/Spare copies.
