



Confederation of Indian Industry



TRACTION REPORT

AVGC-XR Sector — with Special Focus on Video Games & Esports

A Submission to the Government of Tripura on the Draft Tripura AVGC-XR Policy

National & Global Context | State KPI Framework | Policy Analysis | Outcomes | Implementation Roadmap
| Risk Register | Recommendations

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Submitted to: Directorate of Information Technology (DIT), Government of Tripura

In response to the Stakeholder Consultation on the Draft Tripura AVGC-XR Policy, Agartala, 20 May 2026

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1. Executive Summary

Tripura stands at an inflection point. On 20 May 2026, the Directorate of Information Technology (DIT), Government of Tripura, convened a landmark stakeholder consultation on the Draft Tripura AVGC-XR Policy in Agartala — bringing together senior government officials, policymakers, industry leaders, academic experts, and entrepreneurs to shape the State's creative economy future.

Animation, Visual Effects, Video Gaming, Comics and Extended Reality (AVGC-XR) represents one of India's fastest-growing sunrise sectors, projected to grow from approximately USD 3 billion today to over USD 26 billion by 2030, generating 20+ lakh jobs nationally. Within these five pillars, Video Games and Esports represent the sub-sector with the fastest national growth, the clearest regulatory tailwinds (PROG Act 2025 and PROG Rules 2026), and the strongest direct linkage to youth employment — making it the natural "first mover" pillar for a State building its AVGC-XR ecosystem from an early stage.

This submission, prepared by the Indian Digital Video Gaming Society (IDGS), combines a State-wide AVGC-XR traction assessment with a dedicated Video Gaming and esports lens. It sets measurable KPIs across both the broader AVGC-XR ecosystem and the Video Gaming/esports sub-sector specifically, maps potential economic, social, cultural, and governance outcomes, and offers a phased implementation roadmap and tiered recommendations calibrated to Tripura's current scale — recognising that Tripura is building this ecosystem from a near-zero infrastructure base, unlike larger states with existing studio clusters.

Why this matters for Tripura: with its young demographic (over 13 lakh youth aged 15–29), rich cultural heritage (Kokborok, Manipuri, tribal art forms), improving digital backbone, strong existing mobile-Video Gaming player base, and a strategic position as the gateway between Northeast India and Bangladesh, Tripura is uniquely placed to become the "Cultural Video Gaming and AVGC-XR Hub of Northeast India." The AVGC-XR policy — and Video Gaming/esports within it — is not merely an economic lever. It is a generational opportunity, and IDGS is keen to partner with the Government of Tripura to help realise it.

2. National & Sectoral Context

2.1 India's AVGC-XR Sector at a Glance

India's AVGC-XR sector has entered a transformative phase, driven by national policy momentum, private investment, and global demand for cost-effective creative production. It currently employs approximately 2.6 lakh individuals and anticipates creating 23 lakh direct jobs by 2032, with sector revenue expected to rise from approximately USD 3 billion today to over USD 26 billion by 2030.

- Sector size: Currently approximately USD 3 billion, growing at a 16% CAGR year-on-year
- Employment: Over 4.5 lakh professionals employed nationally; expected to cross 20 lakh by 2032
- National target: 20 lakh direct and indirect jobs in 10 years (AVGC Task Force Report, 2022)
- Global market share: India currently holds approximately 0.5–1%, with potential to capture 5–6% (USD 40 billion) by 2030

- Institutional anchor: Indian Institute of Creative Technologies (IICT), Mumbai — India's national Centre of Excellence for AVGC-XR, with MoUs from Google, Netflix, Meta, Adobe, NVIDIA, and Wacom
- Education integration: 5,000+ CBSE and state board schools have introduced AVGC-XR curriculum under NEP 2020

2.2 India's Video Games & Esports Sector — The Fastest-Growing Sub-Sector

Within the broader AVGC-XR landscape, Video Gaming and esports form the largest and fastest-growing sub-sector. India's video games market crossed USD 1 billion in 2025 and is the fastest-growing such market in Asia at a 17.2% CAGR. Esports, now formally recognised as a competitive sport under the PROG Act 2025 and PROG Rules 2026, is one of the fastest-growing entertainment categories globally.

Metric	2024	2025	2029E	2030P
India Video Games Market	USD 943 Mn	USD 1 Bn+	USD 2.4–9.1 Bn*	USD 3.2–3.96 Bn
India Esports Market	USD 68–201 Mn	USD 239–248 Mn	USD 530 Mn	USD 307 Mn–1.1 Bn
Total Video Gamers (India)	~480 Mn	517 Mn	724–952 Mn	~800 Mn
AVGC-XR Total Employment (India)	~230K	260K	950K	~1.4–2.3 Mn
AVGC-XR Sector Revenue (India)	~USD 2.8 Bn	~USD 3–4.5 Bn	~USD 10.3 Bn	USD 26 Bn (Task Force target)

* Range reflects differing scope across research firms: Niko Partners tracks player-spend (USD 2.4 Bn by 2029); IMARC/DemandSage include broader online Video Gaming platforms (up to USD 9.1 Bn by 2029).

2.3 Regulatory Tailwind — PROG Act 2025 & PROG Rules 2026

- PROG Act 2025 (passed 21 August 2025) and PROG Rules 2026 (operational from 1 May 2026) provide India's first unified legal framework distinguishing esports from real-money Video Gaming
- Esports is formally recognised as a competitive digital sport under the Ministry of Youth Affairs & Sports — esports organisations can now apply for formal registration
- Tournaments can qualify for recognition under the National Sports Governance Act 2025, giving athletes legitimate professional status
- This regulatory clarity is expected to drive renewed investor confidence into game development studios and esports infrastructure across India, including Tier 2/3 cities and States such as Tripura

2.4 State Policy Landscape — Comparative Overview

At least 13 states have drafted or activated AVGC-XR policies. Tripura enters at an opportune moment to carve out a distinct Northeast identity — and, within that, a distinct Video Gaming and esports identity that no other Northeast state has yet claimed.

State	Policy Status	Video Gaming/Esports Focus	Financial Outlay	Job/Studio Target	Relevance to Tripura
Maharashtra	Active (2025)	Strong dedicated gaming ecosystem under AVGC-XR, gaming park clusters, esports infrastructure, studio incentives, IICT ecosystem linkage	₹3,268 Cr	2 lakh jobs	Benchmark for large-scale policy ambition ; useful for Tripura in understanding institutional structure and national-level ecosystem integration
Karnataka	Active (2024–29)	Strong gaming and esports focus through Bengaluru ecosystem; Esports Centre of Excellence; studio ecosystem led by major publishers (KRAFTON, Garena HQs)	Not disclosed	Skilling-led model	Best benchmark for industry-academia skilling , startup incubation, and private sector clustering
Kerala	Draft (2024–29)	Gaming integrated with cultural-tech convergence; focus on storytelling, digital IP, indie creators, and educational gaming	Not disclosed	50,000 jobs	Strong parallel for Tripura's cultural IP and heritage-based gaming ecosystem
Madhya Pradesh	Active (2025)	Gaming included under production subsidy model; incentives for game development studios and digital content units	Subsidy-led	Not disclosed	Good model for production subsidy design and attracting small-mid studios with low-entry incentives
Tamil Nadu	Active (2026)	Strong gaming integration with dedicated CoE, startup grants, curriculum integration, and cluster ecosystem	₹50 Cr Centre of Excellence + ₹250 Cr R&D support	2 lakh jobs; 200+ startups by 2030	Strong model for talent pipeline , academic integration, and regional gaming cluster development; relevant for Tripura's college-led approach
Haryana	Active (2026)	Dedicated AVGC-XR incentives including gaming, studio subsidies,	Up to ₹10 Cr CAPEX support per unit; OPEX reimbursements;	10,000 jobs	Useful benchmark for starter incentives , studio attraction, and

		CoE-led ecosystem building, production infrastructure support	startup incentives		subsidy architecture that Tripura can adapt at smaller scale
Nagaland	Task force (2025)	Explicit youth-centric esports positioning; grassroots tournaments; digital youth engagement strategy	Early stage	Early stage	Direct Northeast peer and competitor; relevant for Tripura in shaping regional esports leadership
Tripura	Draft (May 2026)	Video Gaming/esports inclusion under discussion	TBD	TBD	CURRENT FOCUS

Tripura holds a distinctive competitive advantage in video gaming and esports, shaped by its young, mobile-first population, an already active player base in popular titles such as Garena Free Fire and Battlegrounds Mobile India, rich cultural IP assets including Kokborok folklore, tribal art, and Garia traditions, lower operating costs, and its strategic geographic position as India’s gateway to Bangladesh for regional co-production and esports exchange. As India’s AVGC-XR policy landscape evolves—with Maharashtra driving scale, Karnataka leading on skilling and studio ecosystems, Madhya Pradesh focusing on incentive-led growth, Kerala building around cultural IP, and Nagaland activating grassroots esports—Tripura’s opportunity lies not in replicating these larger models, but in adopting a calibrated hybrid strategy. By combining Karnataka’s skilling ecosystem, Kerala’s culture-led content development, Madhya Pradesh’s low-entry incentives, and Nagaland’s youth-centric esports approach, Tripura can build a practical, low-capital, high-impact ecosystem through creator labs, small grants, cultural game IP development, and grassroots esports activation—creating a scalable foundation for long-term growth and positioning itself as Northeast India’s emerging gaming and digital creative hub.

3. The Draft Tripura AVGC-XR Policy — Analysis

3.1 Policy Anchor — May 2026 Stakeholder Consultation

The Draft Tripura AVGC-XR Policy, deliberated at the 20 May 2026 stakeholder consultation in Agartala, brought together senior government officials, industry leaders, academic experts, founders, and stakeholders from across the Animation, Visual Effects, Video Gaming, Comics, and Extended Reality ecosystem, with a focus on talent development, entrepreneurship, industry participation, content creation, and employment generation.

“The proposed AVGC-XR Policy is intended to support skill development, employment generation, entrepreneurship, and culturally rooted digital content creation, while positioning Tripura as an emerging AVGC-XR destination in the Northeast region.” — Directorate of Information Technology, Government of Tripura, 20 May 2026

Director of Information Technology, Shri Jeya Ragul Geshan B., IFS, presented the vision for building a vibrant AVGC-XR ecosystem, stressing talent development, entrepreneurship, industry participation, and employment generation. Secretary IT, Shri Kiran Gitte, IAS, highlighted the significant progress achieved in Tripura's IT sector. The consultation featured technical sessions by Shri Austin Davis (NID Gandhinagar), followed by an interactive session with AVGC-XR industry stakeholders.

3.2 Policy Vision & Objectives

“To build a vibrant AVGC-XR ecosystem in Tripura that fosters creativity, innovation, entrepreneurship, skill development, and digital employment — positioning the State as an emerging AVGC-XR destination in Northeast India within the broader orange economy framework.”

The policy's primary focus areas, as presented at the consultation, include:

- Talent Development — building a pipeline of AVGC-XR-skilled professionals through academic integration and vocational training
- Entrepreneurship Promotion — incentivising AVGC-XR startups and SMEs through grants, incubation, and seed funding
- Industry Participation — attracting established studios and technology companies to set up operations in Tripura
- Content Creation — encouraging culturally rooted digital content leveraging Tripura's tribal and folk traditions
- Employment Generation — creating pathways for youth-led innovation and digital careers within the State
- Complementarity — aligning with the Tripura Startup Policy 2024 and the Tripura Cybersecurity Policy 2025

3.3 Strengths of the Draft Policy

- Timely: Launched when national momentum is high, peer-state benchmarks exist, and the PROG Act 2025/Rules 2026 give Tripura a clean regulatory runway for Video Gaming and esports — unlike states that drafted policies before the national framework existed
- Culturally anchored: Emphasis on culturally rooted digital content is a unique differentiator for IP creation — applicable as much to game design and esports branding as to animation



- Youth-aligned: Video Gaming and esports map directly onto the consultation's stated focus on youth-driven innovation and creative expression
- Multisectoral: Intersects with education, IT, startup, and tourism policies for convergence benefits
- Consultative: The May 2026 open forum process ensures inclusivity and industry responsiveness
- National linkages: Participation by IICT (Mumbai) and NID Gandhinagar signals access to national curriculum resources and central government support

3.4 Gaps & Areas Requiring Strengthening

General AVGC-XR gaps:

- Financial commitments not yet quantified — outlay, subsidy rates, and incentive structures need explicit articulation
- Infrastructure roadmap absent — no mention of creative hubs, XR labs, or studio infrastructure targets
- IP and export framework underdeveloped — no co-production treaty framework or royalty/IP monetisation guidelines
- Monitoring & evaluation mechanism not defined — no M&E framework, dashboard, or accountability structure proposed
- Women and tribal inclusion metrics missing — specific reservation or affirmative provisions not detailed

Video Gaming and esports specific gaps:

- No explicit Video Gaming/esports chapter: public communications on the draft policy do not yet specify Video Gaming or esports as a focus area distinct from animation/VFX
- No esports governance linkage: the draft does not yet reference alignment with IDGS and ESFI, the PROG Act 2025, or the National Sports Governance Act 2025 — all essential for athlete recognition
- No esports infrastructure roadmap: no mention of training centres, low-latency connectivity for competitive Video Gaming, or tournament venues
- No industry-body partnership named: the policy would benefit from a named partnership with a national apex body such as IDGS for studio scouting, curriculum access, and event platforms

4. Key Performance Indicators (KPIs)

4.1 AVGC-XR KPI Framework (State-wide)

The following KPI framework provides a measurable scaffold for tracking AVGC-XR policy implementation and sectoral traction across three time horizons: 2026 (baseline), 2029 (mid-term), and 2032 (long-term).

KPI Indicator	Baseline (2026)	Target (2029)	Target (2032)
AVGC-XR Enterprises in Tripura	~5–8 micro units	75+ registered units	200+ studios & firms
Direct Employment (Sector)	< 500 professionals	10,000 jobs	30,000+ jobs
Skilled Talent Pipeline (Annual)	~200 graduates	3,000/yr	8,000/yr
Investment Attracted (₹ Cr)	Negligible	₹500 Cr	₹2,000 Cr
AVGC-XR Startups Incubated	0 dedicated	50 startups	150+ startups
Export Revenue (₹ Cr)	~₹5–10 Cr	₹200 Cr	₹1,000 Cr
IPs / Original Content Titles	< 10 active IPs	100+ IPs filed	300+ IPs & franchises
Academic Institutions with AVGC-XR	1–2 colleges	15 institutions	30+ institutions
Cultural IP (NE Heritage Digitised)	Minimal digitisation	25+ heritage projects	100+ heritage IPs
Women Entrepreneurs in AVGC-XR	< 5%	25% of startups	40% representation

4.2 Video Games & Esports KPI Framework (Sub-Sector)

The following KPI framework is specific to the Video Games and Esports sub-sector and should be read as a focused subset within the broader AVGC-XR KPI framework above — calibrated to Tripura's current near-zero starting base.

KPI Indicator	Baseline (2026)	Target (2029)	Target (2032)
Video Gaming/Esports Enterprises in Tripura	0–2 informal units	25+ registered studios/orgs	75+ studios & esports orgs
Direct Employment (Video Gaming/Esports)	< 100 professionals	3,000 jobs	10,000+ jobs
Skilled Video Gaming Talent Pipeline (Annual)	~50 graduates	1,200/yr	3,500/yr
Investment Attracted — Video Gaming/Esports (₹ Cr)	Negligible	₹150 Cr	₹600 Cr
Video Gaming/Esports Startups Incubated	0 dedicated	20 startups	60+ startups

Esports Tournaments Hosted (Annual)	0–1 informal	12 state-level events	40+ events incl. NE regional finals
Registered Competitive Esports Athletes	< 20	500	1,500+
Indigenous Game/Esports IPs Created	0 active IPs	15 IPs (incl. cultural titles)	50+ IPs & franchises
Academic Institutions w/ Game Dev Curriculum	0 institutions	8 institutions	20+ institutions
Women Participation in Video Gaming/Esports Workforce	< 5%	25% of startups/grants	40% representation

4.3 Priority KPI Commentary

Employment & Esports Athletes

With over 13 lakh youth aged 15–29 in Tripura, Video Gaming and esports offer one of the fastest-visible employment wins within AVGC-XR, requiring lower capital infrastructure than animation/VFX studios. The target of 1,500+ registered competitive athletes by 2032 is achievable given Tripura's existing informal player base in BGMI and Free Fire, provided a Tripura Esports Association is registered with IDGS and ESFI early. The 10,000-job state-wide AVGC-XR target by 2029 is ambitious but achievable if training pipelines are activated within 12 months of policy notification.

Investment Mobilisation

Tripura has seen minimal FDI and domestic private investment in creative industries. The ₹500 Cr state-wide AVGC-XR target by 2029 (and ₹150 Cr Video Gaming/esports-specific target) requires a dedicated investment promotion cell, investor facilitation events, and single-window clearances. Maharashtra's ₹3,268 Cr outlay demonstrates the scale potential; Tripura should benchmark a proportionate target relative to its GSDP.

Esports Tournaments Hosted

Tournament hosting is a low-cost, high-visibility KPI. Moving from 0–1 informal event to 12 state-level events by 2029, and 40+ events including Northeast regional finals by 2032, builds both the talent pipeline and Tripura's brand recognition within India's Video Gaming community.

Cultural IP Creation

Tripura's greatest differentiator is cultural wealth — Kokborok literature, tribal weaves, Garia dance, and Buddhist heritage. Digitising and commercialising these as AVGC-XR and Video Gaming intellectual properties can generate unique global market positions unavailable to larger, metro-centric states. The target of 50+ indigenous game/esports IPs by 2032 should prioritise cultural-content titles as Tripura's signature contribution to India's indigenous Video Gaming IP landscape.

Women & Tribal Inclusion

The Video Gaming and AVGC-XR sectors offer remote work, freelancing, and low-capital entrepreneurship options that are particularly suited for women and tribal communities in Tripura. Hitting 40% women representation by 2032 (in both the broader sector and Video Gaming/esports specifically) requires proactive incentive design from the outset.

5. Potential Outcomes of the Policy

5.1 Economic Outcomes

- Creation of a ₹2,000 Cr creative economy sub-sector in Tripura by 2032, contributing approximately 1–1.5% incremental GSDP, of which Video Gaming/esports alone could represent ₹600 Cr and 10,000 of the 30,000 direct digital jobs
- 30,000 direct digital jobs state-wide — substantially reducing Tripura's youth unemployment and government job dependency
- ₹1,000 Cr+ in AVGC-XR export revenue, diversifying the State's economic base beyond agriculture and rubber
- 150+ active startups (including 60+ Video Gaming/esports startups) generating secondary employment in design, marketing, legal, and tech services
- FDI attraction from global studios and Video Gaming companies seeking low-cost, high-talent production satellite offices in India's Northeast

5.2 Social & Human Capital Outcomes

- Skill transformation of 8,000+ youth per year in future-ready digital competencies, including 3,500/year in game development and esports-adjacent skills (coaching, broadcasting, event management)
- 1,500+ registered competitive esports athletes, providing legitimate professional pathways under the PROG Act 2025/Rules 2026
- Strengthened academic-industry linkage across 30+ institutions (including 20+ with game development curriculum), improving graduate employability
- Elevation of women's economic participation through remote- and freelance-friendly Video Gaming and AVGC-XR work models, targeting 40% representation
- Tribal and rural youth entering the formal creative economy, reducing rural-urban migration pressures

5.3 Cultural & Soft Power Outcomes

- 100+ digital IPs rooted in Tripura's heritage — including 50+ indigenous game/esports IPs based on Kokborok epics, Garia ritual, and tribal textile motifs — creating global brand ambassadors for the State
- Tripura positioned as the 'Cultural Video Gaming and AVGC Hub of Northeast India' — a positioning no metro state can replicate
- Bangladesh co-production corridor: Tripura's 856 km border and shared Bengali linguistic base create a unique South Asian Video Gaming and creative content collaboration opportunity, including joint mobile game development and cross-border esports exchange tournaments
- Tourism multiplier: XR heritage experiences, game-based tourism apps, and animated cultural storytelling driving visitor interest
- Preservation and global promotion of endangered tribal languages and art through gamified and animated digital formats

5.4 Governance & Digital Economy Outcomes

- Establishment of a live AVGC-XR (and Video Gaming/esports) Policy Dashboard enabling real-time tracking of KPIs and incentive uptake
- Tripura cited as a model for Northeast States (Nagaland, Mizoram, Manipur) — a replicable policy blueprint, including for esports governance
- Strengthened DIT capacity through a specialised AVGC-XR Cell, with a dedicated Video Gaming & Esports vertical handling IDGS/PROG Act compliance and studio investment facilitation
- Integration of AVGC-XR and gamified content with Smart City Agartala initiatives, government communications, and e-governance content
- Complementary alignment with the Tripura Startup Policy 2024 (Video Gaming startups eligible for dual benefits) and the Tripura Cybersecurity Policy 2025 (esports platform security, anti-cheat, fair-play compliance)

6. Implementation Roadmap

6.1 Phased Roadmap — AVGC-XR (State-wide)

Phase	Timeline & Focus	Key Actions	Success Milestones
Phase 1: Foundation	Q3 2026 – Q2 2027 Policy Activation & Ecosystem Setup	Gazette policy; set up AVGC-XR Cell under DIT; launch AVGC-XR Credit Fund; identify anchor institutions; sign MoUs with IICT, NID	Policy notified; AVGC-XR Cell operational; 2 MoUs signed; ₹25 Cr seed fund allocated
Phase 2: Growth	Q3 2027 – Q4 2029 Talent & Industry Build-up	Launch AVGC-XR Creative Hub in Agartala; integrate curriculum in 10+ colleges; run production subsidy scheme; organise Tripura Creative Economy Summit	5,000 trained professionals; 30 startups incubated; ₹500 Cr investment committed; 1st Creative Summit held
Phase 3: Scale	2030 – 2032 Export & IP Leadership	Position Tripura as NE AVGC hub; co-production with Bangladesh; heritage IP monetisation; attract global studio satellite offices	30,000 jobs; ₹1,000 Cr exports; 100+ IPs; 1 global studio partner; Tripura on national AVGC map

6.2 Phased Roadmap — Video Games & Esports (Sub-Sector)

Phase	Timeline & Focus	Key Actions	Success Milestones
Phase 1: Foundation	Q3 2026 – Q2 2027 Regulatory Activation & Ecosystem Setup	Gazette policy with Video Gaming/esports chapter; set up Video Gaming & Esports Cell under DIT; register ESFI-affiliated Tripura Esports Association; sign MoU with IDGS	Policy notified; Video Gaming Cell operational; Tripura Esports Association registered; IDGS MoU signed

Phase 2: Growth	Q3 2027 – Q4 2029 Talent, Studios & Esports Build-up	Launch AVGC Creator Labs (Unity/Unreal) in 8 colleges; run game dev seed-grant scheme; host first Tripura State Esports Championship; attract 2–3 studio pilots via IDGS network	1,200 trained/yr; 20 startups incubated; ₹150 Cr investment committed; 1st State Esports Championship held
Phase 3: Scale	2030 – 2032 Export, IP & NE Esports Leadership	Position Tripura as NE Video Gaming/esports hub; Bangladesh co-production pilot; heritage IP-based game titles; host NE Regional Esports Finals in Agartala	10,000 jobs; ₹600 Cr cumulative investment; 50+ IPs; NE Regional Esports Finals hosted; Tripura on national Video Gaming map

6.3 Institutional Architecture

AVGC-XR Cell under DIT (Immediate Priority)

A dedicated AVGC-XR Cell should be established within DIT within 60 days of policy notification, staffed by 4–6 specialised officers with industry co-secondments. Roles: policy liaison, investment promotion, curriculum coordination, and IP facilitation.

Video Gaming & Esports Cell (within the AVGC-XR Cell)

A dedicated Video Gaming & Esports vertical should be established within DIT's broader AVGC-XR Cell, with 2 officers focused specifically on esports governance (IDGS/PROG Act compliance), studio investment facilitation, and Creator Lab rollout coordination — a low-cost, high-leverage starting structure given Tripura's current scale.

Tripura AVGC-XR Creative Hub, Agartala

A single flagship creative hub in Agartala — co-located with Agartala's planned IT Park — should serve as the physical anchor for studios, incubation, XR labs, and co-working. A public-private partnership model (government provides land/infrastructure; private operator manages) is recommended, mirroring Karnataka's Bengaluru model. The Video Gaming/esports vertical's training centres and tournament venues should be co-located within this hub in early phases to avoid duplicative infrastructure spend.

Tripura Esports Association

Registration of a state esports association affiliated to IDGS and ESFI is a prerequisite for Tripura athletes to be recognised under the PROG Act 2025/Rules 2026 and to participate in nationally sanctioned tournaments and selection trials, including pathways to the Asian Games. IDGS is

AVGC-XR Advisory Board

An 8–10-member advisory board comprising industry veterans, IICT/NID faculty, startup founders, tribal cultural leaders, and one international AVGC expert — including an IDGS representative for the Video Gaming/esports lens — should meet quarterly to review policy performance and recommend adaptations.

6.4 Financial Incentive Design

State-wide AVGC-XR incentives:

- Production Subsidy: 25–30% on eligible production expenditure incurred within Tripura (benchmark: Madhya Pradesh model)
- Startup Seed Grant: ₹10–25 lakh per AVGC-XR startup in first 3 years; no-equity grant for women and tribal founders
- Skill Training Reimbursement: Reimburse 80% of AVGC-XR course fees for Tripura-domicile students at empanelled institutions
- Infrastructure Subsidy: 50% reimbursement on XR hardware, software licences, and studio equipment (capped at ₹50 lakh per unit)
- Export Incentive: 15% additional incentive on verified export revenue for AVGC-XR units registered in Tripura
- IP Development Fund: Dedicated ₹25 Cr rolling fund for original IP development with a Tripura cultural content mandate

Video Gaming & esports-specific, starter-scale incentives (calibrated to a low-infrastructure starting base):

- Game Development Seed Grant: ₹10–25 lakh per studio in first 3 years; priority for cultural-IP and Kokborok-language titles
- Esports Athlete Support: stipends and training grants for registered competitive athletes; travel support for national tournament participation
- Skill Training Reimbursement: 80% reimbursement of game-development course fees at empanelled institutions for Tripura-domicile students
- Infrastructure Subsidy: 50% reimbursement on Video Gaming PCs, peripherals, and low-latency connectivity setup for esports training centres (capped at ₹20 lakh per centre)

6.5 Education & Talent Pipeline

- Integrate AVGC-XR electives in 15+ colleges within 18 months; mandatory for IT/CS streams in 10 engineering colleges
- Launch AVGC Creator Labs (Unity/Unreal) in 8 pilot colleges, leveraging the Budget 2026 national mandate and IICT Mumbai curriculum
- Partner with IICT Mumbai and NID Gandhinagar for faculty development and certified short courses (6-month diplomas)
- Launch the Tripura AVGC-XR Scholarship — 500 scholarships per year for meritorious students from BPL and tribal backgrounds
- Establish 5 'Creative Labs' in government colleges with basic animation, Video Gaming, and XR equipment
- Introduce AVGC-XR awareness modules in Classes 9–12 in 100 schools within 2 years (aligned to NEP 2020)

6.6 Cultural IP & Heritage Digitisation

- Launch 'Digital Tripura Heritage' — a dedicated programme to animate, gamify, and create XR experiences from Kokborok epics, Garia ritual, Wangala festival, and tribal textile motifs
- Develop 5 flagship game titles based on Kokborok epics, Garia ritual themes, and tribal textile-inspired visual design within the first 3 years
- Collaborate with the Tripura Tribal Areas Autonomous District Council (TTAADC) for community IP ownership models specific to game and heritage content
- File national and international IP registrations for all government-supported heritage digitisation and game titles; explore licensing to national studios via IDGS network introductions
- Create 'Brand Tripura Creative' — a curated digital content label for international festival submissions and OTT/platform pitching

6.7 Bangladesh & Regional Co-production Strategy

Tripura's 856 km border with Bangladesh — combined with shared linguistic (Bengali) and cultural ties — creates a unique opportunity for South Asian AVGC-XR and Video Gaming co-production. The policy should include:

- A bilateral creative content co-production framework negotiated with Bangladesh's Ministry of Information
- An Agartala–Dhaka content corridor: joint animation series, mobile game development, and XR cultural exchange
- Preferential visa and IP treaty provisions for Bangladesh-based creators working with Tripura studios
- A pilot joint mobile game development project with a Bangladesh-based studio, focused on Bengali-language casual Video Gaming
- A cross-border esports exchange tournament (Agartala–Dhaka) as a soft-diplomacy and visibility initiative

6.8 Monitoring & Evaluation Framework

- Live AVGC-XR (and Video Gaming/Esports) Policy Dashboard: real-time tracking of KPIs — enterprises registered, jobs created, investment committed, startups funded, IPs filed, exports generated, tournaments hosted, registered athletes
- Quarterly DIT Review Meetings: AVGC-XR Cell (including the Video Gaming & Esports vertical) reports to the IT Secretary with red/amber/green status on all KPIs
- Annual Industry Survey: independent survey of AVGC-XR and Video Gaming/esports enterprises on policy uptake, satisfaction, and friction points
- Mid-term Evaluation (2028): external assessment of policy effectiveness with recommendations for Phase 2 recalibration
- Public Accountability: Annual AVGC-XR Traction Report published and presented at the Tripura Creative Economy Summit

7. Risk Register & Mitigation

7.1 AVGC-XR (State-wide) Risks

Risk Factor	Severity	Impact	Mitigation
Brain drain of trained talent to metros	HIGH	Skilled workforce leaves; ROI on training lost	Retention bonds linked to state grants; remote-work infrastructure; competitive pay norms
Inadequate broadband & power infrastructure	HIGH	Studios unable to operate; cloud/XR tools inaccessible	Leverage BharatNet; mandate dark fibre in IT parks; backup power SLAs
Low private investment interest	MEDIUM	Policy under-utilised; startup ecosystem weak	Investor roadshows; seed fund guarantees; single-window clearance
Policy-industry disconnect	MEDIUM	Incentives misaligned; low uptake of schemes	Quarterly AVGC-XR Cell reviews; industry advisory board; live dashboard
AI disruption of junior roles	LOW-MED	Entry-level job shrinkage in animation and VFX	Curriculum focus on AI-augmented workflows; pivot to AI + creative direction

7.2 Video Games & Esports Risks

Risk Factor	Severity	Impact	Mitigation
Brain drain of trained Video Gaming talent to metro studios	HIGH	Skilled developers/esports talent leave; ROI on training lost	Retention bonds linked to grants; remote-studio infrastructure; competitive pay benchmarks via IDGS network
Inadequate broadband for competitive online Video Gaming	HIGH	Esports athletes unable to compete in national/global tournaments with required latency	Leverage BharatNet; dedicated low-latency lines for esports training centres and tournament venues
Title concentration risk (BGMI/Free Fire dependence)	MEDIUM	Tripura esports ecosystem over-reliant on 1–2 titles; vulnerable to publisher policy shifts	Diversify into VALORANT, chess, regional titles; align with IDGS national title-diversification efforts
Low private studio investment interest	MEDIUM	Policy under-utilised; game dev startup ecosystem remains thin	IDGS-facilitated studio scouting visits; seed fund guarantees; single-window clearance
Policy-industry disconnect / low scheme uptake	MEDIUM	Incentives misaligned with studio/esports operator needs	Quarterly Video Gaming & Esports Cell reviews; industry advisory board incl. IDGS representative; live KPI dashboard

8. Key Recommendations for Tripura

The recommendations below are deliberately calibrated to Tripura's current scale — starter-scale, low-cost, high-visibility interventions rather than the large national outlays seen in benchmark states such as Maharashtra. They are organised by timeframe, with Video Gaming/esports-specific actions integrated alongside broader AVGC-XR priorities given Video Gaming's role as the fastest path to visible traction.

8.1 Immediate Actions (0–90 Days)

- Gazette the AVGC-XR Policy formally and establish the AVGC-XR Cell under DIT, with a dedicated 2-officer Video Gaming & Esports vertical from day one
- Include a dedicated Video Gaming & Esports chapter in the gazetted policy, with explicit financial outlay and incentive rates — even at a modest starter scale (e.g., ₹5–10 Cr initial allocation rather than a ₹500 Cr national-style fund)
- Allocate a minimum ₹25 Cr seed fund (state-wide AVGC-XR) in the next state budget, with a ring-fenced ₹3–5 Cr Video Gaming/esports component for seed grants and esports support
- Register a Tripura Esports Association affiliated to IDGS and ESFI, enabling athlete recognition under the PROG Act 2025/Rules 2026 — a near-zero-cost, high-impact first step
- Sign MoUs with IICT Mumbai, NID Gandhinagar, and IDGS for curriculum support, faculty exchange, and Video Gaming industry partnership
- Identify and earmark land for the Tripura AVGC-XR Creative Hub in Agartala, with Video Gaming/esports training space included in the initial design

8.2 Short-Term Actions (90 Days – 1 Year)

- Launch AVGC Creator Labs (Unity/Unreal) in 3–5 pilot colleges (a starter scale appropriate before scaling to 8+), leveraging the Budget 2026 national mandate and IICT Mumbai curriculum
- Host Tripura's first State Esports Championship as a flagship, low-cost visibility event — building on the existing informal BGMI/Free Fire player base
- Launch a Game Development Seed Grant Scheme (₹10–25 lakh per studio) prioritising cultural-IP titles, alongside the AVGC-XR Startup Grant and Creative Scholarship Scheme
- Begin curriculum integration in 5 pilot colleges; train an initial faculty batch of 50
- Constitute the AVGC-XR Advisory Board with industry, cultural, and IDGS representation
- Publish a public AVGC-XR (and Video Gaming/Esports) Policy Dashboard online
- Host Tripura's first AVGC-XR Creative Economy Summit (targeted Q1 2027)

8.3 Medium-Term Actions (1–3 Years)

- Operationalise the Creative Hub with studio infrastructure, an XR lab, an incubation centre, and a co-located esports training/tournament space
- Facilitate studio and Video Gaming-company scouting visits via the IDGS network (e.g., JetSynthesys, KRAFTON, Nazara, NODWIN, Skyesports, Super Gaming) to assess Agartala studio hub feasibility



- Scale training to 3,000 skilled AVGC-XR professionals per year (including 1,200/year in game development); review curriculum annually
- Develop 5 flagship heritage-IP game titles (Kokborok, Garia, tribal motifs) through a dedicated cultural IP fund, in partnership with TTAADC and Tripura Tribal Welfare Department
- Initiate Bangladesh co-production negotiations through MEA and commerce channels, including a pilot joint mobile game project
- Host the Northeast Regional Esports Finals in Agartala as a regional anchor event
- Conduct a mid-term policy review (2028) and revise incentive structures based on uptake data

8.4 Role of Industry Partnership — IDGS

The Indian Digital Video Gaming Society (IDGS) — India's apex Video Gaming industry body under CII — is keen to support the Government of Tripura in developing the Video Gaming/esports components of the AVGC-XR Policy. For Tripura, this partnership could include:

- Studio scouting visits from IDGS member companies (e.g., JetSynthesys/ Nazara, NODWIN, Skyesports, Super Gaming) to assess Agartala studio hub feasibility
- Access to AVGC Creator Lab curriculum frameworks and IICT faculty linkages
- A platform at the India Video Gaming Show to present Tripura's policy and ecosystem nationally
- Co-organisation of a Tripura Esports Showcase event
- Support for IDGS and ESFI affiliation and PROG Act compliance for the proposed Tripura Esports Association

A formal MoU with IDGS is recommended as an early action item to operationalise this support, providing Tripura with a ready-made national network at minimal cost — well suited to the State's current ecosystem stage.



9. Conclusion: Why This Matters for Tripura

The Draft Tripura AVGC-XR Policy comes at a timely moment, aligning with India’s growing focus on building a globally competitive creative technology ecosystem. With the AVGC-XR sector projected to emerge as a major growth driver for the digital economy, Video Gaming and esports stand out as high-potential segments — driven by strong youth engagement, rapid market expansion, and an increasingly structured policy environment.

Tripura, with its young population, rich cultural heritage, growing digital infrastructure, and progressive governance, is well-positioned to establish itself as a leading AVGC-XR and gaming hub in the Northeast. The State has a unique opportunity to leverage Video Gaming and esports as an accessible and high-impact entry point into the larger creative economy. Introducing a dedicated focus on Video Gaming and esports within the policy framework, supported by structured ecosystem-building initiatives and early industry partnerships, can help Tripura create visible and measurable progress in the near term.

The stakeholder consultation held on 20 May 2026 was an important first step and reflects the Government’s intent to build a future-ready ecosystem. The next phase will be equally critical — timely notification of the policy, creation of enabling institutional mechanisms, investment in skilling and talent development, and support for local content and cultural IP innovation. These actions will shape Tripura’s ability to translate intent into outcomes and strengthen its position in India’s evolving AVGC-XR landscape.

Tripura has the foundational strengths — its youth, cultural capital, and an active gaming community. With focused policy execution and collaborative ecosystem support, the State can unlock significant economic and employment opportunities.

The Confederation of Indian Industry and Indian Digital Gaming Society (IDGS) remains committed to supporting the Government of Tripura in this journey. We would welcome the opportunity to further discuss these recommendations and explore avenues for structured collaboration, including a formal MoU, to bring IDGS’s national industry network, skilling frameworks, and event platforms into Tripura’s emerging AVGC-XR, Video Gaming, and esports ecosystem.

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