Creative Technology in India

A Foresight Lab Policy Snapshot

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The CoSTAR Foresight Lab

Driven by the UK's leading Creative Industries experts, the CoSTAR Foresight Lab is researching the adoption, use and impact of new, emergent and convergent technologies in gaming, TV, film, performance and digital entertainment.

Our findings will inform research, development and innovation across the Creative Industries, including the R&D taking place through the convergent screen technologies and performance in real time (CoSTAR) programme, the UK R&D network for creative technology.

CoSTAR is a £75.6 million national R&D network of laboratories that are developing new technology to maintain the UK's world-leading position in gaming, TV, film, performance, and digital entertainment. Delivered by the UKRI Arts and Humanities Research Council, the programme is supporting new innovations and experiences that will enrich the UK's creative industries, economy, and culture. The network comprises the National Lab, the Realtime Lab, the Live Lab, the Screen Lab and the Foresight Lab. CoSTAR is funded through UK Research and Innovation's Infrastructure Fund, which supports the facilities, equipment and resources that are essential for researchers, businesses, and innovators to do groundbreaking work. You can find out more by visiting www.costarnetwork.co.uk.

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This Policy Snapshot is one of several short studies being undertaken by the CoSTAR Foresight Lab, aiming to provide information and insights on policies being developed to support the adoption of technologies in the Creative Industries in overseas territories. These are intended to provide a high-level overview of some of the key policy developments and initiatives related to film, television, games, performance and digital entertainment as they relate to convergent technology R&D and innovation – helping to build understanding of both international developments and opportunities for UK trade and collaboration.

These studies, which will be conducted between June 2025 and September 2026, will include studies of India, Australia, Japan, South Korea and Canada. They are complemented by our regular International Scans. These scans, undertaken in partnership with Olsberg·SPI, aim to track industrial developments as well as emerging policy signals, and should be read in parallel with these snapshots.

Introduction

This policy snapshot on India presents a high-level summary of policies and strategies related to the Creative Industries and convergent technology innovation. The recent UK-India Trade Deal adopted in May 2025 signalled mutual commitment to collaboration on research and development for innovation. The deal included the establishment of an Innovation Working Group, which would allow both countries to improve existing collaboration, research and development, including: future regulatory approaches, the commercialisation of new technologies and supply chain resilience.

A key set of policy initiatives have been developed in India over recent years around the theme of AVGC (later expanded into AVGC-XR), a term devised by the Indian government to support those aspects of the Creative Industries deemed to be most significant and of highest-growth potential. Sectors covered by 'AVGC-XR' are Animation, Visual Effects, Gaming, Comics, along with Extended Reality. There have been a series of important policy interventions in these sectors, with AVGC-XR becoming central to regional and national governmental policy over recent years.

This snapshot report will present:
- an overview of India's creative economy and technology landscape, including its economic contribution, digitalisation and AI;
- government policies and initiatives for the AVGC-XR sector;
- challenges and policy recommendations for the AVGC-XR sector.
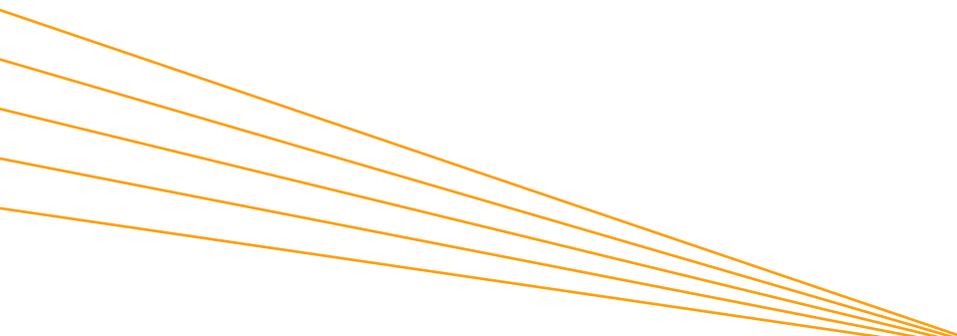
Overview of the Indian creative economy and technology landscape

Economic contribution

India is a global powerhouse in the creative economy, making a substantial economic contribution. For example, the $30 billion Media and Entertainment (M&E) sector is projected to grow by 7%, reaching $36.1 billion in 2027.[1] The creative economy contributes about 20% to the overall GVA and 8.3% of the total employment in the country.[2] The number of people working in India's creative sector is larger than the corresponding figures in Turkey (1%), Mexico (1.5%), and the Republic of Korea (1.9%).[3] India has also been a global hub for IT and software since the 1990s, and in 2026, the IT sector is likely to be valued at $350 billion.[4] The Indian AVGC-XR sector was estimated to have a market size of $2.3 billion in 2019, which was 0.7% of the global market.[5] In the next decade, the AVGC-XR industry is expected to grow by 14-16%[6] and to create 2 million jobs.[7]

Digital economy

India has shown a rapid digital transformation and expansion of the digital economy in various sectors. In 2025, India is ranked as the third largest digitalised country in the world,[8] following China and the US, according to the CHIPS (Connect – Harness – Innovate – Protect – Sustain) framework for multi-layered assessment of the digital ecosystem introduced in the State of India's Digital Economy 2023 report.[9] India is recognised as a global leader in digital public infrastructures, operating a high volume of digital transactions and export of Information and Communication Technology (ICT) services.[10]

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1   FICCI-EY (2025) Shape the future: Indian media and entertainment is scripting a new story. Available at: https://www.ey.com/content/dam/ey-unified-site/ey-com/en-in/insights/media-entertainment/ey-shape-the-future-indian-media-and-entertainment-is-scripting-a-new-story.pdf

2   Kukreja, P., Puri, H., Rahut, D.B. (2024). India's Creative Economy: Definition and Measurement. In: Nayak, B.S. (eds) Intimate Capitalism. Palgrave Macmillan, Cham. https://doi.org/10.1007/978-3-031-64944-8_7

3   *Ibid.*

4   IBEF (2025) Indian IT & BPM Industry Analysis. Available at https://www.ibef.org/industry/indian-it-and-ites-industry-analysis-presentation

5   Khurana, T., Srivastava, N., Malik, V., Khandelwal, S. (2024) FX & Beyond: Shaping India's AVGC Landscape An Immersive Media Experience. GrantThornton & Confederation of Indian Industry. Available at: https://www.grantthornton.in/insights/thought-leadership/fx-beyond-shaping-indias-avgc-landscape/

6   Ministry of Information and Broadcasting (2022) Realising AVGC-XR Sector Potential in India. Report by AVGC Promotion Task Force. Available at https://indiacinehub.gov.in/sites/default/files/2023-12/69fc1be277962b21f3f6954db475c09b_0.pdf

7   Khurana, T., Srivastava, N., Malik, V., Khandelwal, S. (2024) FX & Beyond: Shaping India's AVGC Landscape An Immersive Media Experience. GrantThornton & Confederation of Indian Industry. Available at: https://www.grantthornton.in/insights/thought-leadership/fx-beyond-shaping-indias-avgc-landscape/

8   Mishra, D., Kedia, M., Reddy, A., Ramnath, K., & Vanguri, S. (2025). State of India's Digital Economy 2025. IPCIDE, Indian Council for Research on International Economic Relations (ICRIER)

9   Mishra, D., Kedia, M., Reddy, A., Kanwar, S., Manish, M., Das, B., Gupta, S., Sharma, D. (2023). State of India's Digital Economy 2023. IPCIDE, Indian Council for Research on International Economic Relations (ICRIER).

10   Mishra, D., Kedia, M., Reddy, A., Ramnath, K., & Vanguri, S. (2025). State of India's Digital Economy 2025. IPCIDE, Indian Council for Research on International Economic Relations (ICRIER)

The technological growth is reinforced by an increasing number of internet users and 5G connectivity: for example, in 2024, active internet users in India reached 886 million.[11] Thus, India has the second-largest mobile and Internet network, as estimated by the number of its users.[12]

Over the last few years, India's government has announced policies and initiatives aiming to support further development of the digital economy. For example, the **Digital India Act** (2023) outlines goals to be achieved by 2026, including:
- enabling a $1tn dollar digital economy by 2025-26;
- developing a global innovation and entrepreneurship system;
- for India to shape the future of technologies;
- to be a significant trusted player in the global value chains for digital products, devices, platforms and solutions.[13]

India's **Global Standard Cyber Laws**[14] illustrate a focus on open, safe and trusted internet services, accelerating the growth of innovation in technology, accelerating the digitalisation of government, addressing emerging risks and being future-ready. These laws have been developed to ensure that they are consistent with the evolution in technology and aligned with disruptions over time.[15]

Digital technologies identified by the government as policy priorities include:
- Quantum technology;
- Blockchain;
- Non-financial web3;
- AR/VR/Metaverse;
- Digital Twin;
- Multisensory immersion;
- Application of AI;
- Edge computing;
- Green Computing;
- Free and Open Source Software.[16]

The Digital India Act has been referenced as encompassing a new set of comprehensive laws to address 'the convergence in technologies, services and devices'.[17] In addition, India's Department for Science and Technology has supported a range of R&D activities and missions to drive technology innovation, including a National Mission on Interdisciplinary Cyber-Physical Systems, encompassing the development of 25 Technology Innovation Hubs in leading national institutions.[18]

11   Kantar & IAMAI (2024) Internet in India 2024. Available at
https://www.iamai.in/sites/default/files/research/Kantar_%20IAMAI%20report_2024_.pdf
12   Mishra, D., Kedia, M., Reddy, A., Ramnath, K., & Vanguri, S. (2025). State of India's Digital Economy 2025. IPCIDE, Indian Council for Research on International Economic Relations (ICRIER)
13   https://www.meity.gov.in/writereaddata/files/DIA_Presentation%2009.03.2023%20Final.pdf
14   India's primary legislation dealing with cybersecurity, data protection and cybercrime is the Information Technology Act 2000; Information Technology Rules 2011, 2013, 2018; National Cyber Security Policy 2023; Digital Personal Data Protection Act 2023.
15   https://www.meity.gov.in/writereaddata/files/DIA_Presentation%2009.03.2023%20Final.pdf
16   https://www.meity.gov.in/content/r-d-information-technology
17   https://www.medianama.com/2022/08/223-meity-digital-india-act-regulate-ott-social-media-metaverse-2/
18   https://dst.gov.in/sites/default/files/DST%20AR%20English%202023-24.pdf

AI

According to KPMG estimates, India is surpassed by only the USA and China as countries demonstrating high potential for the development of AI.[19] Having a large number of homegrown unicorns, India is a leading contributor to the global GitHub AI projects, which are public generative AI initiatives providing open-source data and code.[20]

In 2018, India's government published a **National Strategy for AI** that set a goal to become a global AI leader, developing strong homegrown AI solutions and building foundational R&D capabilities.[21] The government allocated $120 million to creating three AI Centres of Excellence, which undertake AI research targeting health, agriculture and sustainable cities.

In March 2024, the Indian Government approved the **IndiaAI Mission**, a national programme with a budget of $1.2 billion to foster AI innovation and ensure the global attractiveness of AI startups. The seven key pillars of the IndiaAI Mission included:
- developing a 10,000 graphics processing units (GPU) compute capacity in a public-private partnership;
- development of indigenous domain-specific large multimodal models;
- the establishment of a unified data platform;
- funding to industry for the development of AI applications;
- development of human resources in AI skills;
- deep tech AI funding to startups;
- promoting safe and ethical AI.[22]

Following the IndiaAI Mission, India's Government undertook additional steps to strengthen the AI sector. In July 2024, the Global IndiaAI Summit was organised in New Delhi with the aim of advancing AI innovation and development.[23] In August 2024, India's Ministry of Electronics and Information Technology published a notice stating the strategic importance of compute to India's AI vision with the goal of 'nurturing homegrown AI expertise, attracting talent, and supporting startup ventures'.[24] As part of the IndiaAI Mission an additional $544 million budget was allocated to build national AI infrastructure through public-private partnerships.[25]

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19   KPMG (2021) Technology Innovation Hubs. KPMG. Available at:
https://assets.kpmg.com/content/dam/kpmg/it/pdf/2021/07/Technology-Innovation-Hubs-2021.pdf

20   Mishra, D., Kedia, M., Reddy, A., Ramnath, K., & Vanguri, S. (2025). State of India's Digital Economy 2025. IPCIDE, Indian Council for Research on International Economic Relations (ICRIER)

21   Jaishankar, D. & Sirkar, T. (2024) India's tech strategy: An introductory overview. ORF America. Available at:
https://orfamerica.org/newresearch/india-technology-policy

22   PIB Delhi, "Cabinet Approves Over 10,300 Crore for India AI Mission, will Empower AI Startups and Expand Compute Infrastructure Access," press release, Press Information Bureau, March 7,

23   Ministry of Electronics & Information Technology Government of India (2025) Annual report 2024-2025. Available at:
https://www.meity.gov.in/static/uploads/2024/12/10fcadec462c330211502fed3d24ea83.pdf

24   Amlan Mohanty, "Compute for India: A Measured Approach," Carnegie India, May 17, 2024,
https://carnegieindia.org/posts/2024/05/compute-for-india-a-measured-approach?lang=en&center=india

25   Soumyarendra Barik, "In Big AI Push, Cabinet Clears Rs 10k Cr Plan to Set Up Computing Capacity," March 8, 2024, https://indianexpress.com/article/technology/artificial-intelligence/cabinet-nod-ai-mission-to-set-up-computing-capacity-9200927/; PIB Delhi, "Cabinet Approves Over Rs 10,300 Crore for IndiaAI Mission, will Empower AI Startups and Expand Compute Infrastructure Access," press release, Press Information Bureau, March 7, 2024, https://pib.gov.in/PressReleasePage.aspx?PRID=2012375.

AVGC-XR policies and initiatives

In recent years, India has implemented a set of policies emerge that identified the importance of creative sectors utilising advanced digital technologies. This led to the development of a new policy framework focused around Animation, Visual Effects, Gaming, Comics and Extended Reality (AVGC-XR) as the major growth driver for the M&E sector, contributing more than 20% of the M&E revenue market share.[26]

AVGC-XR was built on the Indian advanced IT economy, which to date has been predominantly located in Bengaluru and Hyderabad. In India, this convergence of creative sectors and IT is embodied into the concept of AVGC-XR, while in other parts of the world, including the UK, it tends to be represented by the very general term "createch". The term is often used very loosely in UK policy documents, with the Creative Industries Policy & Evidence Centre defining "createch" as follows:

> *'Those creative businesses where the development of new technologies or the adaptation of existing technologies in a novel way is a significant part of their business, and where creative businesses do not include creative businesses working exclusively in the IT/software sub-sectors.'[27]*

This is a broad definition of the term that is used to describe the role of technological innovation in the Creative Industries. The Indian AVGC terminology, however, is more specific than "createch" and comes with dedicated policies, demonstrating a clarity of commitment to these emerging technologies and sub-sectors.

Following earlier state-level policy interventions in Karnataka (2012) and Telangana (2016), national government began to adopt explicit AVGC policies in 2022. With the aim of developing a support ecosystem for the AVGC industry and fostering its further growth, the Finance Minister Nirmala Sitharaman announced the formation of the **AVGC Promotion Task Force** during the Budget Speech 2022-23. In April 2022, the Promotion Task Force, including four sub-task forces of Education, Skilling, Gaming, and Industry & Policy, was constituted within the Ministry of Information and Broadcasting.[28] The Task Force is led by the Secretary of the Ministry of Information & Broadcasting and includes other ministries' secretaries, as well as representatives of industry bodies, state governments and educational bodies.[29] The Task Force devises policies and strategies for the growth of the AVGC sector, encouraging the growth of capacity and capability within the sector, creating educational standards and employment opportunities, enabling collaboration with international institutions, and enhancing the global positioning of India's AVGC industry. The Task Force remit includes making recommendations on:

- Approaches for boosting employment and job creation opportunities for youth in the sector across urban and rural areas;
- Facilitating the development of progressive policies, including a national AVGC Policy to promote the growth of the sector.

26   Khurana, T., Srivastava, N., Malik, V., Khandelwal, S. (2024) FX & Beyond: Shaping India's AVGC Landscape An Immersive Media Experience. GrantThornton & Confederation of Indian Industry. Available at:
https://www.grantthornton.in/insights/thought-leadership/fx-beyond-shaping-indias-avgc-landscape/

27   Siepel, J., Bakhshi, H., Bloom, M., Ospina, J.V. (2022) Understanding Createch R&D. Creative Industries Policy & Evidence Centre.

28   Ministry of Information and Broadcasting (2022) Realising AVGC-XR Sector Potential in India. Report by AVGC Promotion Task Force. Available at https://indiacinehub.gov.in/sites/default/files/2023-12/69fc1be277962b21f3f6954db475c09b_0.pdf

29   In addition to the AVGC Promotion Task Force, key policy bodies involved in policy support of the AVGC-XR sector include Ministry of Culture; Ministry of Electronics and Information Technology; Ministry of Information and Broadcasting; Ministry of Science and Technology; Ministry of Commerce and Industry; Federation of Indian Chambers of Commerce and Industry

- A national curriculum framework for higher education courses on AVGC-related subjects.
- Facilitating internationally recognised skills programmes and initiatives in collaboration with academic institutions, vocational training centres & industry.
- Developing collaborations between the centre and states in the AVGC sector.
- Promoting the creation of robust infrastructure in the form of Regional AVGC hubs across the nation.
- Facilitating concentrated promotion and market development activities to extend the global reach of the Indian AVGC Industry and also enhance the export potential of the sector.
- Supporting industry in carrying out Co-Innovation & Research activities, helping India expand its IP across the AVGC sector.
- Incentives to attract foreign direct investment in the AVGC sector to make India a favourable destination for ease of doing business.[30]

The AVGC Promotion Task Force proposed a Draft National Policy for growth of AVGC-XR sector (2022), with the aim of making India a global hub for AVGC-XR products and services. The policy framework is based on five pillars: realisation of sector potential, education, skilling and mentorship, access to technology, financial viability and sustainability. The National Policy draft for AVGC-XR was modelled on the earlier work in Karnataka and Telangana.

The 2022 National Policy document aims to:
- Make India a global hub for products and services being delivered in the AVGC-XR sector.
- Increase the share of the Indian AVGC-XR sector in the international market.
- Generate employment opportunities in a sunrise sector for youth in the country.
- Promote and preserve Indian culture, heritage, and folk art globally.
- Enhance India's soft power and create iconic Indian character brands globally.
- Increase employability of already existing AVGC-XR professionals.
- Enhance export potential of Indian AVGC-XR sector.
- Promote Indian content worldwide.[31]

At the 5th Global AVGC and Immersive Media Summit 2024, organised by the Confederation of Indian Industry (CII) in New Delhi, the Ministry of Information and Broadcasting Secretary Sanjay Jaju commented on the then forthcoming implementation of the National AVGC-XR Policy:

> *'This policy is set to provide a comprehensive framework to boost the AVGC sectors and aims to enhance India's global competitiveness by fostering infrastructure development, skill enhancement, innovation, and supportive regulatory measures'.*[32]

After the Draft National Policy for AVGC-XR was published in 2022, India's state governments introduced **state policies and initiatives** for the sector, focusing on similar pillars, such as skills development, infrastructure, empowering start-ups and

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30　*Ibid.*

31　Ministry of Information and Broadcasting (2022) Realising AVGC-XR Sector Potential in India. Report by AVGC Promotion Task Force. Available at https://indiacinehub.gov.in/sites/default/files/2023-12/69fc1be277962b21f3f6954db475c09b_0.pdf

32　Business Standard (2024) National AVGC-XR Policy to be implemented soon: I&B Secretary Sanjay Jaju. Available at: https://www.business-standard.com/industry/news/national-avgc-xr-policy-to-be-implemented-soon-i-b-secretary-sanjay-jaju-124082101018_1.html

MSMEs (Micro, Small, and Medium Enterprises), global market access, and financial support. For example, Maharashtra implemented Information Technology and Information Technology Enabled Services (IT & ITES) Policy 2023,[33] supporting the AVGC-XR sector with fiscal and non-fiscal incentives; Karnataka introduced AVGC-XR Policy 3.0 (2024-2029);[34] and Kerala announced its AVGC Policy 2024-2029.[35]

AVGC-XR infrastructure development: Centres of Excellence

As part of the AVGC-XR programme to create advanced infrastructure for the sector, India's government established a number of Centres of Excellence that develop new talents, create curricula and enhance technological capabilities. The **Indian Institute for Immersive Creators (IIIC)**, established by the Ministry of Information and Broadcasting, has its central vision to make Indian AVGC-XR 5% of the Global Market ($40 billion).[36] The IIIC encompasses state-of-the-art creative production facilities and post-production infrastructure. IIIC exists to demonstrate the scalability of investments in AVGC-XR, create world-class capabilities to attract global companies and promote indigenous content. The Centre has rolled out a skills programme and a lab-based activity programme to support small and medium studios across body scanning, facial capture, motion capture, performance capture and XR.

In March 2025, at the inaugural session of World Audio Visual & Entertainment Summit 2025 (WAVES 2025), Maharashtra Chief Minister Devendra Fadnavis announced the founding of the **Indian Institute of Creative Technologies (IICT)**, a National Centre of Excellence dedicated to the AVGC-XR sector, in Mumbai.[37] The IICT is a part of an established network of the highly-regarded Indian Institutes of Technology (IIT), which are Indian engineering and technology institutions recognised globally as leading educational and research centres. Serving as a major centre for creative technology education and research in India, the IICT's aim is to become a global hub for the AVGC-XR sector. The Institute has been granted $40 million for setting up its facilities. Commenting on the establishment of the IICT, Minister Fadnavis said:

> *'This project will not be limited to Maharashtra but will become a milestone for India's creative technology sector. IICT will not just be an educational institution but a leading centre driving innovation in the creative technology industry. It will elevate India to the global stage in this domain.'*[38]

Global tech companies like NVIDIA, Google, Apple, Microsoft, Meta, Star India and Adobe have agreed to collaborate with IICT to create training courses. IICT will encompass state-of-the-art facilities such as gaming labs, animation labs, edit and

33   Government of Maharashtra (2023) IT/ ITES POLICY 2023. Available at: https://maitri.maharashtra.gov.in/wp-content/uploads/2024/09/IT_Slides_Website.pdf

34   Government of Karnataka (2024) AVGC-XR Policy 3.0 (2024-2029). Available at: https://eitbt.karnataka.gov.in/avgc/public/en

35   Government of Kerala (2024) AVGC-XR Policy 2024-2029 (Draft). Available at: https://avgcpolicy.startupmission.in/avgc-eng.pdf

36   https://coe.avgc.in/

37   Business Today (2025) Mumbai to establish Indian Institute of Creative Technology in Film City, Centre to provide ₹400cr. Available at https://www.businesstoday.in/technology/news/story/mumbai-to-establish-indian-institute-of-creative-technology-in-film-city-centre-to-provide-rs400cr-468210-2025-03-17

38   Bose, M. (2025) Indian Institute of Creative Technology to be Established in Mumbai on the Lines of IIT: Devendra Fadnavis. Deccan Herald. Available at: https://www.deccanherald.com/india/maharashtra/indian-institute-of-creative-technology-to-be-established-in-mumbai-on-the-lines-of-iit-devendra-fadnavis-3446740

sound suites, virtual production setups, immersive studios, and smart classrooms. Future plans include further developing the IICT campus as well as rolling out regional centres across the country.[39]

Financial incentives for AVGC-XR

As part of the AVGC-XR programme to facilitate the growth of the sector, India's government has introduced various financial incentives. The measures aim to reduce financial burdens, promote innovation, and attract investment. Initiatives include:

- **Incentive scheme for AV co-production and shooting of foreign films:** Indian companies can claim back an incentive of up to 30% on qualifying expenditure. Additionally, companies can get 5% cashback for employing 15% or more Indian workers and another 5% cashback for showing Indian content. The total incentive is capped at $3.6 million.
- **Foreign direct investment (FDI) limit:** Without government approval, foreign investors are allowed to invest up to 100% in Indian AVGC companies.

There are also **increasing investment initiatives** originating from the government, as well as venture capital firms. At a high-level session ahead of WAVES 2025, Information and Broadcasting Minister Ashwini Vaishnaw announced the establishment of a **$1 billion fund** to strengthen India's creator economy.[40] He said that the fund would help creators to enhance their skills, upgrade their production and expand into the global market.

In addition to government funding, venture capital firms and big technology companies have made investments in AVGC-XR startups, including investments in the production hardware, software and content creation.[41] For example, US-based chip toolmaker Lam Research is planning to invest $1.2 billion in Karnataka to strengthen India's semiconductor ecosystem. Hyundai is also set to grow R&D investment in India with a budget of $3.72 billion over the next 10 years, and Taiwan's Delta Electronics has opened its research centre in Bengaluru, planning to invest $500 million in the centre.[42]

39   Mid Day (2025) WAVES 2025: Indian Institute of Creative Technology launched to empower creative, digital workforce. Available at https://www.mid-day.com/lifestyle/culture/article/waves-2025-indian-institute-of-creative-technology-launched-to-empower-creative-digital-workforce-23532467

40   Exchagne4media (2025) Govt announces $1 billion fund to boost creator economy. Available at https://www.exchange4media.com/announcements-news/govt-announces-1-billion-fund-for-creator-economy-141751.html

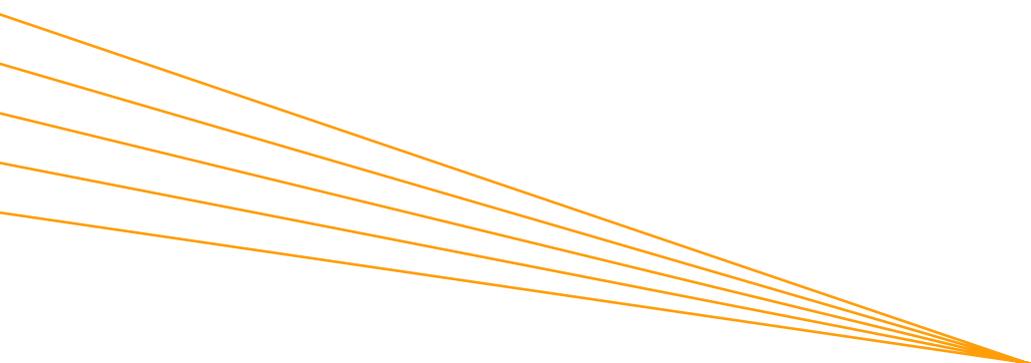41   Univdatos Market Insights (2024) India AR/VR Market: Current Analysis and Forecast (2024-2032)

42   India Brand Equity Foundation (2025) Science and Technology Development in India. Available at https://www.ibef.org/industry/science-and-technology

Conclusion

Being a central part of national and regional policy development over recent years, the AVGC-XR policies have recognised a new set of creative sectors that actively adopt advanced digital technologies. Those creative sectors – Animation, Visual Effects, Gaming, Comics, along with Extended Reality – have become an Indian alternative to "createch", or creative businesses adopting and developing new technologies.

With the collaborative efforts of multiple government bodies and industry stakeholders, India has implemented several policies to enhance the growth of the AVGC-XR sector over time. Developed by the AVGC Promotion Task Force and modelled on regional work led by Karnataka and Telangana, the Draft National Policy for AVGC-XR sector has aimed to make India a global powerhouse for AVGC-XR products and services, fostering infrastructure development, skill enhancement, research and innovation. Subsequent government initiatives have contributed to further AVGC-XR development, transforming the sector into a strong ecosystem with state-of-the-art infrastructure, relevant skills programmes and international collaborations. India's government has established a number of Centres of Excellence, which have grown new talents and fostered research. India's various financial incentives have facilitated innovation, boosted employment and attracted international investment.
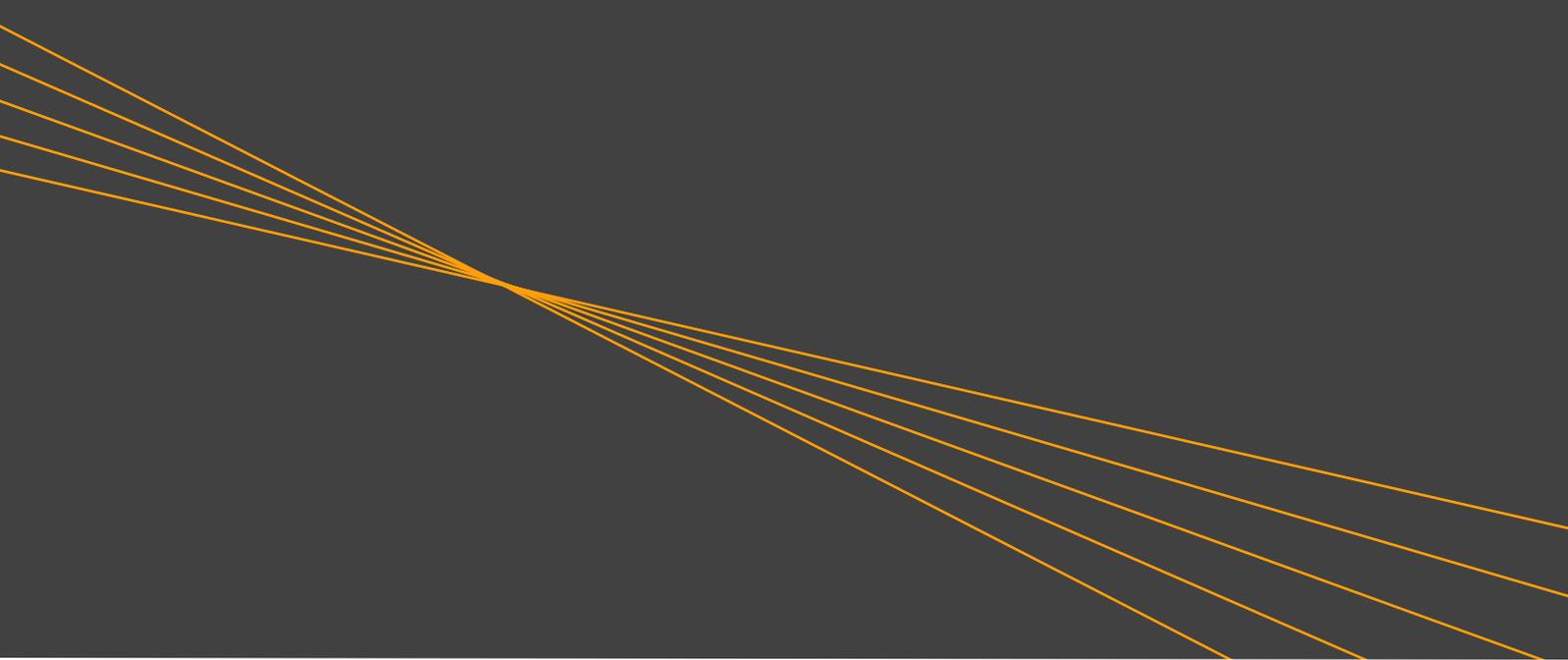
These policies and interventions sit alongside support for emerging technologies, such as the Digital India Act, and AI in particular. In the area of AI, India's government has adopted a range of initiatives setting goals for developing strong homegrown AI solutions, establishing data platforms, building AI skills and promoting safe and ethical AI.