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The advent of the digital era has transformed the global media and entertainment landscape, democratizing access to content creation and consumption. Breakthroughs in digital platforms, cutting-edge visual technologies, and innovative storytelling have opened new horizons for the Animation, Visual Effects, Gaming, Comics, and Extended Reality (AVGC-XR) sector.

This transformation presents Rajasthan with a unique opportunity to emerge as a national leader in the AVGC-XR domain. With its rich cultural heritage, extensive intellectual and human resources, and a thriving innovation ecosystem, the state is well-positioned to harness the sector's potential.

Government of Rajasthan has launched the Rajasthan AVGC-XR Policy 2024, aimed at creating a dynamic and enabling environment for the sector. The Department of Information Technology & Communication (DoIT&C), Government of Rajasthan has been designated as the nodal department for implementing this policy.

The policy is designed to offer comprehensive range of incentives, infrastructural support, and skill development opportunities to position Rajasthan as a preferred destination for AVGC-XR innovation, production, and investment. This initiative builds upon the success of programs like the Atal Innovation Studios and Accelerators Program, which aim to transform Rajasthan into a thriving hub for startups and innovation.

These incentives and guidelines are designed to equip enterprises with the resources and opportunities needed to innovate, create, and scale their operations globally, solidifying Rajasthan's position as a leader in this burgeoning industry.

A. Enabling Support - AVGC-XR Fund (Section 7.5 of AVGC-XR Policy 2024) –

The Government of Rajasthan, under its AVGC-XR Policy 2024, has introduced the AVGC-XR Fund to support the growth of the Animation, Visual Effects, Gaming, Comics, and Extended Reality (AVGC-XR) sectors. This fund addresses the critical funding needs of startups registered, approved and QRated by the iStart Rajasthan program (as per Rajasthan Startup Policy 2022, Section 13 e) or a MSME/ academic institution/ production house/ media company/ agency/ professional or an entity operating in the AVGC-XR sector, having a legal structure, registered under the AISA Program/AISA portal at various stages through incentives, concessions and other financial support. (As per AVGC-XR Policy 2024, Section 7.5.)

a. Eligibility & Other Criteria:

- i. The startups for funding incentives, additional funding incentives and enabling support under the Rajasthan AVGC-XR Policy 2024 shall be selected and disbursed as per the provisions laid down in the Rajasthan AVGC-XR Policy 2024.
- ii. The Startup must be registered, approved and QRated by the iStart Rajasthan program (as per Rajasthan Startup Policy 2022, Section 13 e) or a MSME/ academic institution/ production house/ media company/ agency/ professional or an entity operating in the AVGC-XR sector, having a legal structure, registered under the AISA Program/AISA portal. .
- iii. The Evaluation Committee (EC) shall evaluate the proposals received under the Policy and recommend its decision to the State Level Implementation Committee (SLIC) for a final decision.
- iv. Funds will be disbursed in a single/ multiple tranches upon achieving predefined milestones as decided by EC/ SLIC on case-to-case basis.
- v. If a Startup/ entity that has availed any type of funding and would like to apply for any other funding incentive, it must wait for a minimum of three months, from the date of approval of the previous fund (i.e. date of SLIC meeting).
- vi. If the application for the funding is rejected, the Startup or the entity can re-apply only after one month from the date of rejection (i.e. date of SLIC meeting).

B. Grants, Reimbursements, Incentives, Concessions and Financial Support for Sustainable Growth - Production Grants (Section 8 and 8.1 of AVGC-XR Policy 2024)–

The Government of Rajasthan offers Production Grants to incentivize the development of content in the Animation, Visual Effects (VFX), Augmented Reality (AR), Virtual Reality (VR), Game Development, and Comics sectors. These grants aim to reduce production costs, encourage innovation, and position Rajasthan as a hub for AVGC-XR production. Special incentives are available for AVGC-XR startups which are registered, approved and QRated by the iStart Rajasthan program (as per Rajasthan Startup Policy 2022, Section 13 e) or a MSME/ academic institution/ production house/ media company/ agency/ professional or an entity operating in the AVGC-XR sector, having a legal structure, registered under the AISA Program/AISA portal for projects incorporating Rajasthan's landscapes, further promoting the state's cultural and geographical heritage. (As per AVGC-XR Policy 2024, Section 8 and 8.1.)

Production Grants – (As per AVGC-XR Policy 2024, Section 8.1.)

1. Animation:

Areas of Production	Incentive	Re-imburement Procedure
Animation Films (60 minutes & above)	Reimbursement of up to 30% of qualified expenditure capped at INR 50 Lakhs per entity for Animation film	Milestone-based reimbursement based on operational guidelines as notified by the Government from time to time
Animated Episodic Series (10 episodes & above)	Reimbursement of up to 30% of qualified expenditure capped at INR 50 lakhs per entity for Animation Cartoon Series	Milestone-based reimbursement based on operational guidelines as notified by the Government from time to time

a. Eligibility & Other Criteria:

- i. The Startup must be registered, approved and QRated by the iStart Rajasthan program (as per Rajasthan Startup Policy 2022, Section 13 e) or a MSME/ academic institution/ production house/ media company/ agency/ professional or any entity operating in the AVGC-XR sector, having a legal structure, registered under the AISA Program/AISA portal.
- ii. The Evaluation Committee (EC) shall evaluate the proposals received under the Policy and recommend its decision to the State Level Implementation Committee (SLIC) for a final decision.
- iii. Funds will be disbursed in a single/ multiple tranches upon achieving predefined milestones as decided by EC/ SLIC on case-to-case basis.
- iv. The funds would be reimbursed in a single/multiple tranches upon achieving the predefined milestones as decided by EC/SLIC on case-to-case basis.
- v. The reimbursement would be provided as per the below tranches:

a.	Animation Films (60 minutes & above):	
	Up to INR 10 Lakhs	1 Tranche
	Up to INR 30 Lakhs	2 Tranches of INR 15 lakh each
	Up to INR 50 Lakhs	1st Tranche of INR 20 lakh 2nd Tranche of INR 20 lakh 3rd Tranche of INR 10 lakh
b.	Animation Episodic Series (10 episodes & above):	
	Up to INR 10 Lakhs	1 Tranche
	Up to INR 30 Lakhs	2 Tranches of INR 15 lakh each
	Up to INR 50 Lakhs	1 st Tranche of INR 20 lakh 2 nd Tranche of INR 20 lakh 3 rd Tranche of INR 10 lakh

(Amount for subsequent tranches shall be released on submission of all relevant certificates & documents for the previous tranche, if any).

- vi. If a Startup/ entity that has availed any type of funding and would like to apply for any other funding incentive, it must wait for a minimum of three months, from the date of approval of the previous fund (i.e. date of SLIC meeting).
- vii. If the application for the funding is rejected, the Startup or the entity can reapply only after one month from the date of rejection (i.e. date of SLIC meeting).

2. VFX/ AR/ VR:

Areas of Production	Incentive	Re-imbusement Procedure
VFX/ AR/ VR	Reimbursement of up to 30% of the qualified expenditure, capped at INR 50 Lakhs per entity in a financial year.	Milestone-based reimbursement based on operational guidelines as notified by the Government from time to time

a. Eligibility & Other Criteria:

- i. The Startup must be registered, approved and QRated by the iStart Rajasthan program (as per Rajasthan Startup Policy 2022, Section 13 e) or a MSME/ academic institution/ production house/ media company/ agency/ professional or any entity operating in the AVGC-XR sector, having a legal structure, registered and assessed under the iStart Rajasthan Program.
- ii. The Evaluation Committee (EC) shall evaluate the proposals received under the Policy and recommend its decision to the State Level Implementation Committee (SLIC) for a final decision.
- iii. Funds will be reimbursed in a single/ multiple tranches upon achieving predefined milestones as decided by EC/ SLIC on case-to-case basis.
- iv. The reimbursement would be provided as per the below mentioned tranches:

Animation Films (60 minutes & above):	
Up to INR 10 Lakhs	1 Tranche
Up to INR 30 Lakhs	2 Tranches of INR 15 lakh each
Up to INR 50 Lakhs	1 st Tranche of INR 20 lakh 2 nd Tranche of INR 20 lakh 3 rd Tranche of INR 10 lakh

(Amount for subsequent tranches shall be released on submission of all relevant certificates & documents for the previous tranche, if any).

- v. If a Startup/ entity that has availed any type of funding and would like to apply for any other funding incentive, it must wait for a minimum of three months, from the date of approval of the previous fund (i.e. date of SLIC meeting).
- vi. If the application for the funding is rejected, the Startup or the entity can reapply only after one month from the date of rejection (i.e. date of SLIC meeting).

3. Game Development:

Areas of Production	Incentive	Re-imburement Procedure
Mobile Games	Reimbursement of up to 20% of qualified expenditure, capped at INR 1 Crore per entity.	Milestone-based reimbursement based on operational guidelines as notified by the Government from time to time
Console Games	Reimbursement of up to 20% of qualified expenditure, capped at INR 1 Crore per entity.	Milestone-based reimbursement based on operational guidelines as notified by the Government from time to time

a. Eligibility & Other Criteria:

- i. The Startup must be registered, approved and QRated by the iStart Rajasthan program (as per Rajasthan Startup Policy 2022, Section 13 e) or a MSME/ academic institution/ production house/ media company/ agency/ professional or any entity operating in the AVGC-XR sector, having a legal structure, registered under the AISA Program/AISA portal. The Evaluation Committee (EC) shall evaluate the proposals received under the Policy and recommend its decision to the State Level Implementation Committee (SLIC) for a final decision.
- ii. Funds will be reimbursed in a single/ multiple tranches upon achieving predefined milestones as decided by EC/ SLIC on case-to-case basis.
- iii. The reimbursement would be provided as per the below mentioned tranches:

a.	Mobile Games:	
	Up to INR 30 Lakhs	1 Tranche
	Up to INR 60 Lakhs	2 Tranches of INR 30 lakh each
	Up to INR 100 Lakhs	1 st Tranche of INR 30 lakh 2 nd Tranche of INR 30 lakh 3 rd Tranche of INR 40 lakh
b.	Console Games:	
	Up to INR 30 Lakhs	1 Tranche
	Up to INR 60 Lakhs	2 Tranches of INR 30 lakh each
	Up to INR 100 Lakhs	1 st Tranche of INR 30 lakh 2 nd Tranche of INR 30 lakh 3 rd Tranche of INR 40 lakh

(Amount for subsequent tranches shall be released on submission of all relevant certificates & documents for the previous tranche, if any).

- iv. If a Startup/ entity that has availed any type of funding and would like to apply for any other funding incentive, it must wait for a minimum of three months, from the date of approval of the previous fund (i.e. date of SLIC meeting).
- v. If the application for the funding is rejected, the Startup or the entity can reapply only after one month from the date of rejection (i.e. date of SLIC meeting).

4. Comics:

Areas of Production	Incentive	Re-imburement Procedure
Comics	Reimbursement of up to 25% of qualified expenditure, capped at INR 15 Lakhs per entity within a financial year.	Milestone-based reimbursement based on operational guidelines as notified by the Government from time to time

a. Eligibility & Other Criteria:

- i. The Startup must be registered, approved and QRated by the iStart Rajasthan program (as per Rajasthan Startup Policy 2022, Section 13 e) or a MSME/ academic institution/ production house/ media company/ agency/ professional or any entity operating in the AVGC-XR sector, having a legal structure, registered under the AISA Program/AISA portal.
- ii. The Evaluation Committee (EC) shall evaluate the proposals received under the Policy and recommend its decision to the State Level Implementation Committee (SLIC) for a final decision.
- iii. Funds will be reimbursed in a single/ multiple tranches upon achieving predefined milestones as decided by EC/ SLIC on case-to-case basis.
- iv. The reimbursement would be provided as per the below mentioned tranches:

Comics:	
Up to INR 05 Lakhs	1 Tranche
Up to INR 10 Lakhs	2 Tranches of INR 05 lakh each
Up to INR 15 Lakhs	1 st Tranche of INR 05 lakh 2 nd Tranche of INR 05 lakh 3 rd Tranche of INR 05 lakh

(Amount for subsequent tranches shall be released on submission of all relevant certificates & documents for the previous tranche, if any).

- v. If a Startup/ entity that has availed any type of funding and would like to apply for any other funding incentive, it must wait for a minimum of three months, from the date of approval of the previous fund (i.e. date of SLIC meeting).
- vi. If the application for the funding is rejected, the Startup or the entity can reapply only after one month from the date of rejection (i.e. date of SLIC meeting).

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5. Media Projects Incorporating Rajasthan's Landscape-

Areas of Production	Incentive	Re-imburement Procedure
Media projects incorporating Rajasthan's landscape	Projects incorporating Rajasthan's landscapes will receive higher benefits to promote the state's cultural and geographical heritage	Milestone-based reimbursement based on operational guidelines as notified by the Government from time to time

a. Eligibility & Other Criteria:

- i. The Startup must be registered, approved and QRated by the iStart Rajasthan program (as per Rajasthan Startup Policy 2022, Section 13 e) or a MSME/ academic institution/ production house/ media company/ agency/ professional or any entity operating in the AVGC-XR sector, having a legal structure, registered under the AISA Program/AISA portal.
- ii. The Evaluation Committee (EC) shall evaluate the proposals received under the Policy and recommend its decision to the State Level Implementation Committee (SLIC) for a final decision.
- iii. Funds will be disbursed in a single/ multiple tranches upon achieving predefined milestones as decided by EC/ SLIC on case-to-case basis.
- iv. If a Startup/ entity that has availed any type of funding and would like to apply for any other funding incentive, it must wait for a minimum of three months, from the date of approval of the previous fund (i.e. date of SLIC meeting).
- v. If the application for the funding is rejected, the Startup or the entity can reapply only after one month from the date of rejection (i.e. date of SLIC meeting).

C. Additional Financial Incentives (Section 8.2 of AVGC-XR Policy 2024) –

The Government of Rajasthan has introduced additional financial incentives to elevate the global presence of AVGC-XR enterprises. These measures aim to facilitate market growth, encourage international partnerships, and foster cross-border collaborations, ensuring that businesses from the state can compete and thrive on a global scale. (As per AVGC-XR Policy 2024, Section 8.2.)

1. Networking Support for Participation in National & International Events:

The Government of Rajasthan is dedicated to promoting the global competitiveness of enterprises in the AVGC-XR sector. To achieve this, the policy provides Networking Support for Participation in National and International Events by offering reimbursement for attending approved trade fairs, exhibitions, and buyer-seller meets. (As per AVGC-XR Policy 2024, Section 8.2.)

a. Eligibility & Other Criteria:

- i. The Startup must be registered, approved and QRated by the iStart Rajasthan program (as per Rajasthan Startup Policy 2022, Section 13 e) or a MSME/ academic institution/ production house/ media company/ agency/ professional or any entity operating in the AVGC-XR sector, having a legal structure, registered under the AISA Program/AISA portal.
- ii. The Nodal Departmental Level Committee (DC) shall evaluate the proposals received under the Policy and recommend its decision to the Evaluation Committee (EC) for a final decision regarding participation / re-imbusement in the National Conferences/ Networking/ Events.
- iii. For International Conferences/ Networking/ Events the Evaluation Committee (EC) shall evaluate the proposals received under the Policy and recommend its decision to the State Level Implementation Committee (SLIC) for a final decision regarding participation / re-imbusement.
- iv. Eligible applicants would be applicable for this support for a maximum of one International and one National Event in a financial year.
 - **National Conferences/ Networking/ Events:** This support would require prior approval and is a reimbursable benefit. The prior approval/ re-imbusement shall include the cost of event registration, to & fro travel, visa charges, boarding & lodging, booth cost or any other cost to be defined at the time of approval. The capping to this support shall be as per the Rajasthan Startup Policy 2022 (Section 7.3 Table 5: Networking Support).
 - **International Conferences/ Networking/ Events:** This support would require prior approval and is a reimbursable benefit. The prior approval/ re-imbusement shall include the cost of event registration, to & fro travel, visa charges, boarding & lodging, booth cost or any other cost to be defined at the time of approval. The capping to this support shall be as per the Rajasthan Startup Policy 2022 (Section 7.3 Table 5: Networking Support).
- v. The applicant shall have to submit relevant tickets, bills, certificates & documents (like HR certificates in case of employees) in support of their application and claim.
- vi. The Rajasthan Startup Policy 2022 shall be referred to for further information on networking support.

D. General Provisions

1. The Nodal/ Administrative department reserves the right to cancel/ withdraw approved funding/support/incubation/sponsorship/any benefit under the Rajasthan AVGC-XR Policy 2024 at any time without mentioning the reasons thereof. (As per AVGC-XR Policy 2024, Section 9 and 10.1.)
2. Disbursement of funds under the Production Grants and Additional Financial Incentives shall be done through the Nodal Department or as otherwise decided by

- the Nodal/Administrative Department i.e. DoIT&C. (As per AVGC-XR Policy 2024, Section 9 and 10.1.)
3. Disbursement of funds, as convertible debt/ equity, under the Growth Stage i.e. AVGC-XR Fund shall be done through the RajCOMP Info Services Ltd. (RISL), or any other agency as decided by the Nodal/Administrative Department. (As per AVGC-XR Policy 2024, Section 9 and 10.1.)
 4. A startup that is registered and QRated by the iStart Rajasthan program (as per Rajasthan Startup Policy 2022, Section 13 e) or a MSME/ academic institution/ production house/ media company/ agency/ professional or any entity operating in the AVGC-XR sector may be debarred/ terminated (as may be decided at the level of Nodal/ Administrative department) from Atal Innovation Studios and Accelerators Program or iStart Program or equivalent Rajasthan Government initiatives related activities including funding in case of in-discipline, non-payment of applicable dues, misconduct, un-ethical, un-professional practices and un-appropriate behaviour by the startup/ MSME/ academic institution/ production house/ media company/ agency/ professional or any entity operating in the AVGC-XR sector.
 5. The startup registered and QRated by the iStart Rajasthan program (as per Rajasthan Startup Policy 2022, Section 13 e) or a MSME/ academic institution/ production house/ media company/ agency/ professional or any entity operating in the AVGC-XR sector shall be required to inform the Nodal/ Administrative Department via official communication (letter/ e-mail) in circumstances wherein the operations of the startup/ MSME/ academic institution/ production house/ media company/ agency/ professional or any entity operating in the AVGC-XR sector have been closed. All benefits provided to the startup/ MSME/ academic institution/ production house/ media company/ agency/ professional or any entity operating in the AVGC-XR sector shall be discontinued with immediate effect, and the startup/ MSME/ academic institution/ production house/ media company/ agency/ professional or any entity operating in the AVGC-XR sector would be required to ensure re-payment of all applicable funding incentives and avail no dues from the Nodal Department.

E. Definitions

1. Startup – as per Rajasthan Startup Policy 2022, Section 13 e.
2. MSME – Micro, Small and Medium Enterprises (MSMEs) which support industries as ancillary units, thereby contributing enormously to the overall industrial development of the country.
3. Academic Institution - An educational institution that offers education and research, and awards degrees. These institutions include universities, colleges, and other institutions.
4. Production House - A company or organization that specializes in creating and producing content, typically in entertainment industry. This can include the production of films, television shows, advertisements, music videos, or other media forms.

5. **Media Company** – An organization that focuses on the creation, distribution, and dissemination of content across various platforms, such as television, radio, print, digital media, and online networks.
6. **Agency** – A business or organization that provides specific services to clients, typically in exchange for a fee or commission
7. **Professional** – An individual who is skilled and qualified in a specific field or occupation, typically requiring specialized education, training, and experience
8. **Entity** - An organization, object, or concept that exists independently and is distinguishable from others. It can refer to anything that has a distinct and separate existence, whether it is a legal, physical, or abstract form.

These guidelines will come into force with immediate effect.

This bears approval at the competent level.



Archana Singh
Secretary & Commissioner

Copy to following for information and necessary action, pls.

1. PS to Secretary & Commissioner, IT&C and Managing Director, RISL
2. FA/ CAO, DoIT&C
3. Director (Finance), RISL
4. Director (Technical), RISL
5. All Concerned



Tapan Kumar
Addl. Director