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HARYANA GOVERNMENT

INDUSTRIES & COMMERCE DEPARTMENT

Notification

The 27th May, 2026

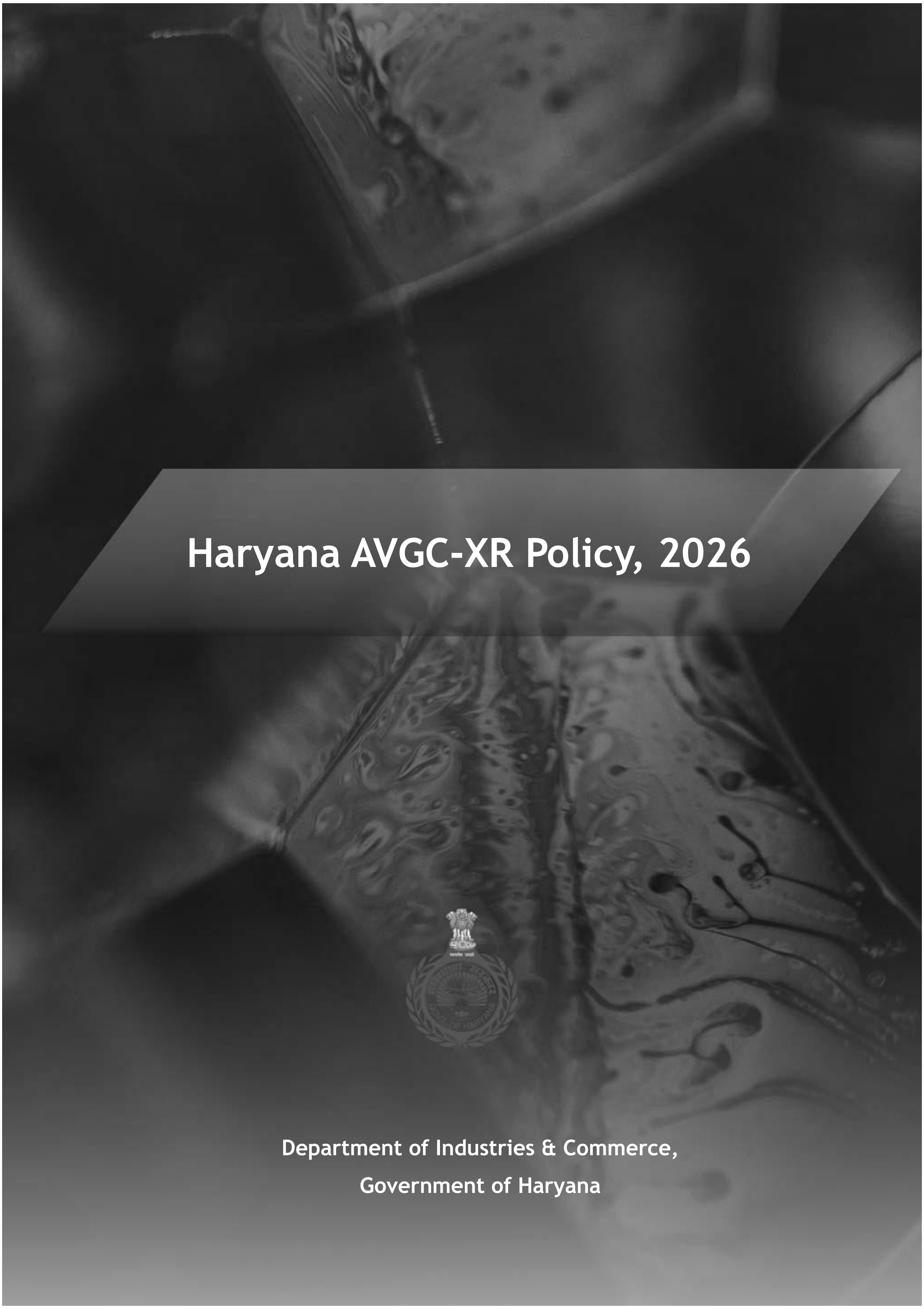
No. 20/04/2026-4IB-1.— The Governor of Haryana is pleased to notify the ***'Haryana AVGC-XR Policy- 2026.'*** This policy will be valid for a period of 05 years from the date of notification of this policy or the date of any new policy/amendment introduced by the Government of Haryana, whichever is earlier.

The policy has been concurred by the Finance Department *vide* their U.O. No.1/25/2026-3FD-III/2026/6328, 6330, 6325, 6331, 6327, 6329, 6332, 6326 dated 21.03.2026 and approved by the Council of Ministers in its meeting held on 18th May, 2026.

AMIT KUMAR AGRAWAL,
Commissioner & Secretary to Government Haryana,
Industries & Commerce Department.

Chandigarh:
The 27th May, 2026

12653—C.S.—H.G.P., Pkl.



Haryana AVGC-XR Policy, 2026

Department of Industries & Commerce,
Government of Haryana

List of Acronyms

AVGC-XR	Animation, Visual Effects, Gaming, Comics, Extended Reality
CAGR	Compounded Annual Growth Rate
CGTMSE	Credit Guarantee Fund Trust for Micro and Small Enterprises
CoE	Center of Excellence
EDC	External Development Charges
FAR	Floor Area Ratio
FCI	Fixed Capital Investment
GoHR	Government of Haryana
GoI	Government of India
HEEP	Haryana Enterprises and Employment Policy
HEPB	Haryana Enterprises Promotion Board
HEPC	Haryana Enterprises Promotion Centre
IDC	Internal Development Charges
IEC	Information, Education, and Communication
IGBC	Indian Green Building Council
IP	Intellectual Property
INR	Indian National Rupee
ITC	Input Tax Credit
MSME	Micro, Small and Medium Enterprises
PLI	Production Linked Incentive
R & D	Research and Development
SGST	State Goods and Services Tax
STEM	Science, technology, engineering, and mathematics
USD	United States Dollar

Contents

1. Introduction

The Animation, Visual Effects, Gaming, Comics and Extended Reality (AVGC-XR) sector has emerged as a defining pillar of the global digital and creative economy. Powered by advances in real-time rendering, artificial intelligence, immersive technologies, high-performance computing and digital distribution platforms, the sector is transforming not only entertainment and media but also applications across education, healthcare, defence, manufacturing, architecture, advertising, simulation and skill development. Globally valued at approximately USD 438 billion in 2024[1], the AVGC-XR industry is among the fastest-growing knowledge-driven sectors, with sustained expansion across Animation and VFX, Gaming, Comics and Digital Publishing, and immersive technologies such as AR, VR and MR.

Recognizing the strategic importance of the creative and digital content economy, the Union Budget 2026 underscored the role of the “Orange Economy”—comprising creative industries, digital content, media and cultural enterprises—as a new engine of growth, employment and global soft power. The Budget reiterated the Government of India’s commitment to strengthening the AVGC ecosystem through skill development, infrastructure creation, international market access, and promotion of original intellectual property (IP). This national focus positions AVGC-XR not merely as an entertainment industry, but as a strategic sector capable of generating high-value exports, innovation and youth employment.

India’s Media and Entertainment (M&E) sector, valued at approximately INR 2.5 trillion (USD 29.4 billion) in FY 2024[2], is undergoing structural transformation driven by digital consumption, mobile-first platforms and global content integration. Within this ecosystem, AVGC-XR has emerged as a high-growth segment. India’s AVGC market, estimated at nearly USD 3.92 billion, is expanding at a pace significantly above global averages, with Animation & VFX and Online Gaming segments recording robust double-digit growth. The sector currently employs around 2.6 lakh professionals and holds the potential to generate up to 20 lakh direct and indirect jobs by 2030[3]. India’s growing share in global animation and VFX outsourcing, coupled with rising domestic content creation and gaming innovation, reflects its emergence as a competitive global player.

Beyond entertainment, immersive and interactive technologies are unlocking transformative use cases across industrial design, digital twins, defense simulations, medical training, smart manufacturing, ed-tech and virtual collaboration. However, the sector continues to face structural challenges including fragmented industry presence, limited access to world-class studio

[1] AVGC Promotion Task Force Report, Ministry of Information & Broadcasting, Government of India; FICCI-EY Media & Entertainment Industry Report

[2] FICCI-EY Media & Entertainment Industry Report 2025

[3] AVGC Promotion Task Force Report, Ministry of Information & Broadcasting, Government of India; FICCI-EY Media & Entertainment Industry Report

infrastructure, skill gaps aligned to industry standards, relatively low original IP creation, and the need for deeper industry-academia integration.

Haryana, with its strategic location in the National Capital Region, advanced physical and digital infrastructure, proximity to global media and technology firms, and strong base of higher education institutions, is uniquely positioned to emerge as a leading AVGC-XR hub in India. The State's established strengths in IT/ITeS, start-ups, electronics manufacturing and emerging technologies create strong synergies for the convergence of creativity and technology. A growing presence of animation studios, gaming companies, digital content creators and training institutions further strengthens the ecosystem.

Recognizing the convergence of technology, creativity and innovation—and aligned with the national vision articulated in the Union Budget 2026—the Government of Haryana identifies AVGC-XR as a priority sector for driving investment, exports, employment and innovation-led growth.

Accordingly, the Haryana AVGC-XR Policy seeks to establish a comprehensive and enabling ecosystem through targeted investment promotion, development of shared infrastructure and production facilities, skill creation aligned with global standards, support for start-ups and MSMEs, promotion of original IP and content creation, and facilitation of domestic and international market linkages. The Policy aims to integrate Haryana into global AVGC value chains, strengthen the State's contribution to India's Orange Economy, and position Haryana as a premier destination for the digital and creative industries.

2. Definition

2.1. Animation: refers to the process and technology of creating the illusion of movement by displaying a sequence of images, frames, drawings, models or digitally generated visuals in rapid succession. Animation may be produced using traditional hand-drawn techniques, 2D or 3D computer graphics, motion capture, stop-motion, or other digital methods and is widely used across entertainment (films, television, streaming content), gaming, advertising, education, simulations, training, product design, and immersive media applications.

2.2. Visual Effects: refers to the creation, manipulation, enhancement or integration of imagery for film, television, streaming content, advertising, games or other digital media, where the visuals cannot be captured entirely during live-action production. VFX involves combining live-action footage with computer-generated imagery (CGI), digital compositing, motion tracking, simulation, matte painting, 3D modelling, rendering and related post-production techniques to create realistic or stylized visual environments and effects. VFX is a component of the broader post-production process and includes both CGI-based and non-CGI digital enhancements.

2.3. Gaming: refers to the design, development, production, publishing or operation of interactive digital games that enable user interaction through a digital interface to generate visual, audio or immersive feedback across platforms including, but not limited to, mobile devices, computers, consoles, handheld devices, web-based platforms, virtual environments and other digital systems. Gaming may involve 2D, 3D, simulation, multiplayer or immersive experiences.

Only enterprises engaged in the design, development and production of skill-based games will be eligible for the purpose of availing incentives under this Policy. Further, the Policy will not extend to:

a. Online money games i.e. online games, irrespective of whether such game is based on skill, chance, or both, played by a user by paying fees, depositing money or other stakes in expectation of winning which entails monetary and other enrichment in return of money or other stakes will not be eligible

b. Any online games or gaming platforms that are prohibited, restricted or regulated under the Promotion and Regulation of Online Gaming Act, 2025, as amended from time to time, or any other applicable laws, rules or regulations of the Government of India.

2.4. Comics: refers to visual narrative content that uses sequential art—comprising illustrated panels, frames or images, with or without accompanying text—to depict scenes in a chronological or structured sequence for the purpose of storytelling.

The term includes comic books, comic strips published in print or digital media, graphic novels, webcomics and other illustrated sequential storytelling formats. Graphic novels may consist of standalone long-form narratives or compilations of previously published comic issues. For the purposes of this Policy, "Comics" will not include text-only novels, magazines or publications that do not primarily rely on sequential illustrated storytelling as the core format.

2.5. AVGC-XR Park/Cluster: A park/ cluster of AVGC-XR units and related ancillary units designed to foster the growth and innovation of the Animation, Visual Effects, Gaming, Comics, and Extended Reality (AVGC-XR) sector. The AVGC-XR Park/Cluster may include but not be limited to Animation, VFX and post-production studios, game design, development and publishing units, XR content development and immersive technology studios, sound design, dubbing and music production facilities, digital content production houses, software development and technology solution providers supporting AVGC-XR, data centres and digital infrastructure facilities supporting content production and rendering, digital AVGC-XR laboratories and virtual production facilities and other related units of the sector. The park/ cluster may also feature incubation centres, training institutes, co-working spaces, and Centres of Excellence (CoE) to nurture startups and talent in the AVGC-XR domain.

The park should comprise of basic amenities such as internal roads, sewerage infrastructure, utilities infrastructure (electrical, water, natural gas, fire hydrants etc.), communication facilities, storage facilities, requisite technological infrastructure, commercial infra etc. as necessary for the smooth functioning of units within the park. The park may also include common social infrastructure such as housing facilities, medical and sports facilities, banks, dormitories, recreational activities etc. and other enabling infrastructure and should be developed and operated as per norms of Haryana Town and Country Planning Department (as amended from time to time)

2.6. Virtual Reality: refers to a fully immersive, computer-generated digital environment that simulates a three-dimensional experience and enables users to interact with virtual surroundings in real time. VR typically isolates the user from the physical environment and creates a simulated space through the use of head-mounted displays, motion tracking systems, controllers and other immersive hardware.

Virtual Reality experiences primarily engage visual and auditory senses and may also incorporate haptic feedback and other sensory inputs to enhance immersion. VR is widely used across entertainment, gaming, education, training simulations, healthcare, defence, industrial design and collaborative virtual environments.

2.7. **Augmented Reality:** refers to technology that overlays digital content—such as images, graphics, audio or data—onto a user's real-world environment in real time. AR enhances the physical world by superimposing computer-generated elements while allowing the user to remain aware of and interact with their surrounding environment.

AR applications may be delivered through smartphones, tablets, smart glasses or other wearable devices.

2.8. **Extended Reality:** Extended Reality (XR) is an umbrella term referring to immersive technologies that blend physical and digital environments to create interactive experiences. XR encompasses Augmented Reality (AR), Virtual Reality (VR), Mixed Reality (MR), and related technologies that enable real-time interaction between users and computer-generated content through devices such as head-mounted displays, smart glasses, mobile devices, wearables and other digital interfaces. XR enables varying degrees of immersion, ranging from digital overlays on the physical world to fully immersive virtual environments.

2.9. **Mixed Reality:** refers to technology that merges real and virtual environments to create interactive spaces where physical and digital objects coexist and can interact with each other in real time. Unlike Augmented Reality, which primarily overlays digital content, Mixed Reality enables deeper integration, allowing virtual objects to respond to and interact with real-world elements. MR experiences are typically enabled through advanced spatial mapping, sensors and immersive display technologies.

2.10. **Eligible Startup:** Any entity will be considered a startup if it meets the latest definition of startups as per the Haryana State Startup Policy 2022, as amended from time to time, and is registered with the Department of Industries and Commerce, Haryana.

2.11. **Date of Commencement of Commercial Production/ Operations:** It means and refers to the date of first sale bill/invoice issued by the units/enterprise. Only units/ enterprises commencing commercial operations during the validity period of this policy will be eligible to avail benefits under this policy.

2.12. **New Enterprise/ Unit:** It means an enterprise established and commencing commercial production during the operative period of this policy. Any existing enterprise/unit undertaking expansion/ diversification at different locations will also be considered as a New Enterprise/Unit.

2.13. **Existing Unit:** Refers to any unit existing and in operation prior to notification of this policy.

2.14. **Expansion/ Diversification:** Refers to investment undertaken by an existing unit at the same location for:

i. enhancement of installed production or service capacity (or)

ii. upgradation, modernisation, or technological improvement (or)
iii. addition of new manufacturing or service lines (or)
iv. manufacturing of new or additional products; (or)
v. provision of new or additional services

An existing unit will be eligible to avail incentives under this Policy for expansion/diversification undertaken at the same location, subject to fulfilment of any one of the following conditions:

a. The unit undertakes an additional Fixed Capital Investment (FCI) of at least 50% of current FCI of the Project i.e. FCI as on date of commencement of expansion/ diversification

   (or)

b. The unit undertakes an additional FCI of at least 25% of current FCI of the Project i.e. FCI as on date of commencement of expansion/ diversification subject to a minimum expansion investment of INR 125 cr.

   (or)

c. The unit undertakes an additional FCI greater than the minimum threshold limit of Mega/ Ultra Mega Unit defined under this policy for the particular location.

Note: For the purposes of calculation of FCI in such cases, the original value of the assets will be considered. Any existing unit undertaking expansion/ diversification at different locations will be considered as a New Unit.

2.15. Fixed Capital Investment (FCI): The new investment in land, infrastructure/ associated utilities, buildings (including for R&D activities, testing, hostel/dormitories for workers, office space etc.), machinery, equipment, power back up arrangements, construction of captive renewable energy plants, effluent treatment plants/ waste management plants/ air pollution control systems/zero liquid discharge equipment, hardware & software made by the unit within the premises of the project:

- during the policy period (and)
- before the commencement of commercial operations (and) 1 year after date of commencement of commercial production/ operations for MSME/Large units and 3 years after date of commencement of commercial production/ operations for Mega/ Ultra Mega Units or as decided by the Haryana Enterprises Promotion Board

will be considered as Fixed Capital Investment (FCI)

Note:

i. For the purposes of facilitating cases where investment has also been made prior to the notification of this policy but date of commencement of commercial production/operations falls under this policy period, the FCI made in the one- year period prior to the date of notification of this policy will also be considered as FCI.

ii. Transfer of plant, machinery and equipment from the same or different unit located anywhere else will not be considered towards calculation of FCI.

iii. Working capital, goodwill, preliminary and pre-operative expenses, capitalized interest, and expenses incurred towards acquisition of technology or technical know-how, including consultancy charges, royalty, design and drawings, patents, licenses, and other intellectual property rights, whether capitalized in the books of accounts or otherwise, will not be considered while calculating Fixed Capital Investment.

2.16. Ultra-Mega, Mega and Large Project: Projects will be categorized as Ultra Mega, Mega and Large Projects as per definition in the Make in Haryana Industrial Policy of the State as amended from time to time and/or any future flagship industrial policy of the State (if and when released).

2.17. Large Enterprises: Large Enterprises will mean enterprises other than Micro, Small, and Medium Enterprises, having either:

- Investment in plant and machinery or equipment exceeding INR 125 crore, (or)
- Annual turnover exceeding INR 500 crore,

i.e., above the thresholds prescribed for Medium Enterprises under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006, as amended by the Government of India from time to time.

2.18. Medium Enterprise: Medium Enterprises will mean enterprises where:

- Investment in plant and machinery or equipment does not exceed INR 125 crore, and
- Annual turnover does not exceed INR 500 crore,

in accordance with the thresholds notified by the Government of India under the MSMED Act, 2006, as amended from time to time.

2.19. Small Enterprise: Small Enterprises will mean enterprises where:

- Investment in plant and machinery or equipment does not exceed INR 25 crore, and
- Annual turnover does not exceed INR 100 crore,

in accordance with the thresholds notified by the Government of India under the MSMED Act, 2006, as amended from time to time.

2.20. Micro Enterprise: Micro Enterprises will mean enterprises where:

- Investment in plant and machinery or equipment does not exceed INR 2.5 crore, and
- Annual turnover does not exceed INR 10 crore,

in accordance with the thresholds notified by the Government of India under the MSMED Act, 2006, as amended from time to time.

2.21. Centre of Excellence (CoE): Centre of Excellence (CoE) – AVGC-XR means a dedicated institutional or functional entity established to develop, anchor and advance specialized capabilities in key domains of the Animation, Visual Effects, Gaming, Comics and Extended Reality (AVGC-XR) sector. The CoE will function as a collaborative platform bringing together industry, academia, start-ups, technology providers, research institutions and domain experts to promote innovation, original intellectual property (IP) creation, content development, advanced production techniques, immersive technologies, research and experimentation.

The CoE may undertake activities including, but not limited to:

a. Research and development in animation, VFX, gaming engines, virtual production and XR technologies
b. Development of indigenous tools, pipelines and digital assets
c. Skilling, upskilling and industry-aligned capacity building
d. Incubation and mentorship support for start-ups and creative enterprises
e. Access to shared infrastructure such as studios, rendering facilities, motion capture labs and immersive technology labs
f. Testing, validation and prototyping of AVGC-XR solutions
g. Facilitation of industry–academia collaboration and global partnerships

The Centre of Excellence will aim to strengthen innovation, enhance global competitiveness and position Haryana as a leading hub for the AVGC-XR ecosystem.

2.22. Local Employee: An employee who is a bonafide resident of the State of Haryana (as defined by the Government of Haryana from time to time) will be considered a Local employee. The local employee status will only be verified using Parivar Pechan Patr issued by Government of Haryana.

2.23. Category of Areas: For promoting the geographical dispersal of industry, the State has been divided into 4 categories of Areas - Core Areas, Intermediate Areas, Sub-Prime Areas and Prime/Focus Areas based on their potential for industrial development. The classification of these areas will be in accordance with the definitions prescribed under the Make in Haryana Industrial Policy of the State as amended from time to time and/or any future flagship industrial policy of the State (if and when released).

2.24. Net SGST: Net SGST to be considered for reimbursement means that the eligible unit will be entitled to get reimbursement of SGST amount, paid through cash ledger, against the output liability of SGST on sale of eligible products. The eligible unit will first have to utilize all the eligible Input Tax Credit (ITC) including eligible ITC of IGST available in its credit ledger, against the SGST output liability, before adjusting the SGST amount through cash ledger.

2.25. Developer: Developer means an individual, company, association, firm or a limited liability partnership, designated through a collaboration/development agreement with the owner for making an application for grant of licence and for completion of formalities required on behalf of such owner to develop a colony as per Haryana TCP Norms (as amended from time to time).

2.26. Owner: Owner means a person or entity in whose name the title of ownership of land is vested, or in whose favour a valid lease of land for a period of not less than ninety-nine (99) years has been granted, within the State of Haryana, in accordance with the provisions of the Haryana Town and Country Planning (TCP) norms, as amended from time to time.

2.27. Government Educational Institution: means any educational institution located within the State of Haryana that is established, owned, funded and administered by the Government of Haryana or any of its Departments, Directorates or Agencies. The term will include, but not be limited to, Government-run Anganwadis, Government Pre-Primary Schools, Government Primary Schools, Government Secondary and Senior Secondary Schools, Government Colleges, Government Polytechnics, Government Technical Institutions and State Public Universities.

For the avoidance of doubt, institutions merely receiving grant-in-aid or financial assistance from the Government, but not owned and administered by the Government of Haryana, will not be classified as Government Educational Institutions unless specifically notified under this Policy.

3. Vision

"To position Haryana as a leading national hub for the Animation, Visual Effects, Gaming, Comics and Extended Reality (AVGC-XR) sector by fostering a vibrant, innovation-driven ecosystem that attracts investment, generates high-quality employment, promotes original content creation, and contributes to the growth of the digital and creative economy."

4. Mission

a. To establish Haryana as a preferred destination for domestic and global AVGC-XR enterprises.

b. To develop world-class physical, digital and production infrastructure to support content creation, immersive technologies and innovation.

c. To create sustainable, high-skill employment opportunities for the youth of Haryana in emerging creative and technology domains.

d. To strengthen industry-aligned skilling, upskilling and talent development frameworks to meet global AVGC-XR standards.

e. To promote original intellectual property (IP) creation and regional cultural storytelling and enable global market access for Haryana-based content creators.

5. Objectives

a. To attract new investments and anchor units in the AVGC-XR sector across the State.

b. To generate more than 10,000 direct and indirect employment opportunities in AVGC-XR-related activities during the policy period.

c. To promote the creation, commercialization and global distribution of regional and culturally rooted digital content through AVGC-XR technologies.

d. To encourage the adoption of AVGC-XR applications in governance, education, skill training, tourism, heritage promotion, and public information and communication initiatives.

6. Validity of the policy

This policy will be valid for a period of 05 years from the date of notification of this policy or the date of any new policy/amendment, introduced by the Government of Haryana, whichever is earlier.

7. Eligibility Criteria

A. Units seeking to avail incentives under this Policy will be engaged in activities pertaining to the Animation, Visual Effects, Gaming, Comics and Extended Reality (AVGC-XR) sector, as defined under this Policy. The Government may, from time to time, notify additional activities or clarify eligibility in line with evolving industry practices and technological advancements.

B. Only units which:

i. commence commercial production/operations post the date of the notification of this policy and up-till the validity of this policy and

ii. which directly employ at-least 50 employees on payroll or contract with ESI/PF Number continuously for a period of at-least 1 year will be eligible for availing benefits as enlisted under this policy.

C. Eligible units intending to avail incentives under this policy will be required to submit an application to the Department prior to the date of commencement of commercial operations

D. For the purposes of this policy, the Fixed Capital Investment (FCI) and Eligible Capital Expenditure (ECE) made:

i. during the policy period (and)

ii. before the commencement of commercial operations (and) 1 year after date of commencement of commercial production/ operations for MSME/Large units and 3 years after date of commencement of commercial production/ operations for Mega/ Ultra Mega Units or as decided by the Haryana Enterprises Promotion Board

will be considered.

Further, for the purposes of facilitating cases where investment has also been made prior to the date of notification of this policy, but date of commencement of commercial production/operations falls under this policy period, the FCI and ECE made in the one-year period prior to the date of notification of this policy will also be considered.

E. Existing AVGC-XR units will also be eligible to avail incentives under this Policy for expansion/diversification undertaken at the same location, subject to fulfilment of the following conditions:

(a) Unit must be undertaking expansion/diversification anywhere in Haryana on land parcels with valid CLU permission (if applicable) under commercial or industrial category or in Government-approved Industrial Estates / IMTs; and

(b) Unit must be undertaking an expansion/diversification, with either:

- an additional Fixed Capital Investment (FCI) of at least 50% of current FCI of the Project i.e. FCI as on date of commencement of expansion/ diversification

  (or)

- an additional FCI of at least 25% of current FCI of the Project i.e. FCI as on date of commencement of expansion/ diversification subject to a minimum expansion investment of INR 125 cr.

  (or)

- an additional FCI greater than the minimum threshold limit of Mega/ Ultra Mega Unit defined under this policy for the particular location

(c) Unit must be commencing commercial production/ operations of said expansion/ diversification during the operative period of the policy.

Note:

i. Units undertaking expansion/ diversification will be eligible for availing incentives for expansion/ diversification only once during the policy period.

ii. In cases of expansion/diversification where a clearly identifiable date of commencement of commercial operations cannot be determined (such as in cases involving phased capacity ramp-up or gradual scaling of services):

   a. Only investment made in the three-year period from the date of first expansion investment shall be considered as eligible investment period for the purpose of determination of Fixed Capital Investment (FCI) and Eligible Capital Expenditure (ECE).

   b. The date of completion of the entire committed capital investment for such expansion/diversification (or) the completion of 3 years from the date of first expansion investment, whichever is earlier, shall be deemed to be the date of commencement of commercial operations for the purposes of this Policy.

iii. Units undertaking expansion/ diversification will be required to obtain separate registration under GST for such expansion/diversification and maintain separate books of accounts for existing unit as well as the expanded unit. In case separate registration is not feasible for a unit of expansion at the same business place, the highest turnover reflected by the existing unit in the last three years will be considered as the turnover of the existing unit during the period of investment subsidy entitlement. However, such a unit will also be required to maintain a separate book of accounts for the expansion unit, unless otherwise permitted by HEPB.

F. Units availing fiscal incentives under this policy shall not be eligible to avail or claim incentives for the same project under any other policy issued by the Government of Haryana, and vice versa, save and except for incentives under the Haryana Progressive MSME and Exports Policy, which may be availed only to the extent that such incentives are not covered under this policy under the same or a comparable head

G. The benefits offered under the policy will be over and above any incentives obtained under any Government of India policy or scheme by the eligible unit. However, the cumulative incentives under the policy to any Unit/ Park Developer, together with any fiscal incentives, subsidies, reimbursements, grants, or financial assistance received under any Government of India scheme for the same project, will be subject to a ceiling of 100% of Fixed Capital Investment (FCI).

8. Turnaround time under this policy

All new schemes/ operational guidelines proposed in the policy will be notified within a time frame of 03 months from the date of release of this policy.

Note: All the schemes to be notified under this policy will be approved at the level of Administrative Secretary to Government, Haryana, Industries & Commerce Department and placed before the concerned Standing Finance Committee for approval and subsequent notification.

9. Authority for Clarification, Interpretation, and Operational Decisions

Administrative Secretary, Department of Industries and Commerce, Haryana will be the competent authority for clarification/resolution of any doubts related to the interpretation of any term or any provision arising under this policy, approval for notification of scheme operational guidelines for provisions under this policy and removal of difficulties for ease of doing business. The decision in this matter will be final and binding for all stakeholders in such cases.

10. Fiscal Incentives for AVGC-XR Units

The Government of Haryana will offer financial support to investors to increase economic activity within the sector. The following incentives will be offered under this policy for reducing the fiscal burden of the units with an aim to foster growth in the AVGC-XR sector and to develop a favourable industrial ecosystem within the State:

A. CAPEX and OPEX Support

S.No.	Incentive	Description of Support
A.	**CAPEX Support Incentive**	i. An eligible unit will be entitled to reimbursement of 30% of the eligible capital expenditure (ECE) incurred, subject to a maximum ceiling of INR 10 crores per unit. ii. For the purposes of this policy, eligible CAPEX will include new investment/expenditure actually incurred and paid on account of the following: a. Construction of building, infrastructure/ associated utilities and power backup arrangements b. Furnishing of building/ fit-out costs c. Purchase of new machinery, equipment, servers, rendering infrastructure, motion capture systems, digital production hardware, IT hardware and licensed software tools required for AVGC-XR activities d. Technology acquisition costs, including purchase or licensing of proprietary production pipelines, gaming engines, rendering software, development toolkits and related technology

S.No.	Incentive	Description of Support
		platforms, subject to submission of valid agreements and valuation documents e. Payment of stamp duty on purchase/lease of land or office space f. Payment of external development charges (only in case of owned building) g. Establishment of Captive Renewable Energy Projects (only new captive renewable energy projects ≥ 100 kW will be eligible) iii. The CAPEX support incentive will be disbursed in ten (10) annual instalments and will commence after the date of commencement of operations or achievement of committed eligible capital investment, whichever is later. iv. Only the eligible CAPEX incurred during the: • policy period (and) • before the commencement of commercial operations (and) 1 year after date of commencement of commercial production/ operations for MSME/Large units and 3 years after date of commencement of commercial production/ operations for Mega/ Ultra Mega Units or as decided by the Haryana Enterprises Promotion Board will be considered. Additionally, for the purposes of facilitating cases where investment has also been made prior to the notification of this policy but date of commencement of commercial production/operations falls under this policy period, the eligible CAPEX made one year period prior to the date of notification of this policy will also be considered. Note: Transfer of machinery and equipment from the same or different unit located anywhere else will not be considered towards calculation of FCI.

S.No.	Incentive	Description of Support
B.	**OPEX Support Incentive**	i. An eligible unit will be entitled to reimbursement of 50% of the eligible OPEX incurred for a period of five years from the date of commencement of production/operations subject to a maximum ceiling of INR 2 crores per annum. ii. For the purposes of this policy, eligible OPEX for a particular year will include the actual expenditure incurred and paid by the unit on account of/on the following: a. Net SGST paid to the Govt. of Haryana b. Electricity duty paid to the Govt. of Haryana c. Annual Lease rentals paid – will be eligible @75% of actual annual rent paid by the unit and subject to an annual cap of 6% of the valuation of the property as assessed by a valuer registered under the Companies (Registered Valuers and Valuation) Rules, 2017, as amended from time to time d. Costs incurred towards obtaining different internationally recognized industry certifications, platform onboarding certifications, information security standards certifications, content security compliance, console developer certifications, XR technology certifications, and other relevant certifications as notified by the Government from time to time. The quality certification fee reimbursement support will be provided over and above any assistance offered by the Government of India. e. Patent related costs incurred towards filing of patents, consultancy charges, prior-art search fees, maintenance fees and publication fees f. Payment of Internet Bandwidth Charges: Provided that the service provider company is registered in India and has a valid GST number

S.No.	Incentive	Description of Support
		g. Payment of Cloud Rental Charges: Provided that the service provider company is registered in India and has a valid GST number h. Guarantee fee paid under Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) i. Credit Rating Expenses – limited to ratings conducted by SEBI-accredited agencies (CRISIL, ICRA, CARE, SMERA, Fitch India, Brickwork Ratings) or SIDBI-empaneled agencies, as applicable.

Note: Ultra Mega and Mega Projects will also be eligible for customized packages of incentives as decided by the Haryana Enterprise Promotion Board (HEPB). This customized package of incentives will be offered over and above the standard package of incentives as per this policy and will be based on the approved Cost Benefit Analysis model of the State, as amended from time to time.

B. Human Capital Development Incentives:

S.No.	Incentive	Description of Support
1.	**Employment Generation and Capacity Building Subsidy**	To reward local high-quality employment generation, a unit will be eligible to **avail a local employment generation subsidy for a period of 10 years from Date of Commencement of Commercial Operations** based upon the proportion of Haryana local employees in the workforce of the unit in a particular year as shown below:

S.No.	Incentive	Description of Support		
		Proportion of Haryana Local Employees in the Workforce in Particular Year	**Employment Generation Subsidy for General Category Haryana Local Employees**	**Employment Generation Subsidy for Women/ SC/ Divyang / Agniveer/ Ex-Servicemen Category Haryana Local Employees**
		< 15%	Not applicable	Employment Generation Subsidy @120% of the average gross monthly salary will be provided for each eligible Women/ SC/ Divyang / Ex-Servicemen Category Haryana Local Employees subject to a cap of INR 1 lakh per year per employee
		≥15%	Employment Generation Subsidy @ {100%} + {20% * (Proportion of Haryana Local Employees in % - 15%)} of the average gross monthly salary will be provided	Employment Generation Subsidy @ {120%} + {20% * (Proportion of Haryana Local Employees in % - 15%)} of the average gross monthly salary will be provided for each eligible

S.No.	Incentive	Description of Support

	for each eligible Haryana Local Employee subject to a cap of INR 1 lakh per year per employee	Women/ SC/ Divyang / Ex-Servicemen Category Haryana Local Employees subject to a cap of INR 1.2 lakh per year per employee

Note:

i. Proportion of Haryana Local Employees = Total Haryana Local Employees of the Unit/ Total Employees of the Unit

ii. Employment Generation Subsidy will be based on the proportion of Haryana local employees in the workforce in the given year.

iii. This subsidy will be provided only for employees of Haryana who have been directly employed on payroll or on contract with ESI/PF Number for a period of at-least 1 year by the eligible unit.

iv. This subsidy can be availed by an eligible unit for a period of 10 years from Date of Commencement of Commercial Production/Operations

v. In cases where the average gross monthly salary of an eligible Haryana Local Employee is below INR 48,000, a minimum Employment Generation Subsidy of INR 48,000 per annum shall be provided to the unit per such employee for the relevant year

vi. An employee who is a bonafide resident of the State of Haryana (as defined by the Government of Haryana from time to time) will be considered a Local employee. The local employee status will be verified only using Parivar Pechan Patr.

vii. For eligible expansion units, the subsidy will be available for incremental employee count beyond the count that existed before undertaking expansion

S.No.	Incentive	Description of Support
2.	**Employment Booster for Recruitment through HKRN**	i. In addition to the employment generation subsidy incentive mentioned above, units which recruit Haryana local employees through Haryana Kaushal Rozgar Nigam (HKRN) will also be eligible to claim 100% reimbursement on the **employer's statutory contribution under Employees' Provident Fund (EPF)** for these employees for a period of 5 years. This incentive amount will be subject to a ceiling of 12 per cent of the employee's basic salary plus applicable Dearness Allowance (DA) and retaining allowance, subject to a maximum limit of INR 25,000 per employee per year. ii. Further, based on details furnished by the unit, all such employees recruited through Haryana Kaushal Rozgar Nigam (HKRN) will be reimbursed 100% of their **employee's statutory contribution under Employees' Provident Fund (EPF)** through Direct Benefit Transfer (DBT) for a period of 5 years. This incentive amount will also be subject to a ceiling of 12 per cent of the employee's basic salary plus applicable Dearness Allowance (DA) and retaining allowance and subject to a maximum limit of INR 25,000 per employee per year.
3.	**Development of specialized courses**	In consultation with leading industry players, sector skill councils and academic institutions, focused and specialized AVGC-XR sector skill development courses will be offered in State Skilling institutions, ITIs and Polytechnics of Haryana to ensure ready availability of skilled workforce for the industry.
4.	**Job Readiness Program**	i. The Government of Haryana will facilitate partnerships between recognized academic institutions within the State and AVGC-XR units to design and offer focused and specialized, industry-aligned courses, particularly for students in their final year or penultimate year, in line with the evolving requirements of the sector. AVGC-XR units will be encouraged to offer internships/apprenticeships and to recruit students

S.No.	Incentive	Description of Support
		enrolled in such courses, thereby strengthening industry readiness and employability ii. To incentivize AVGC-XR units to provide internships/apprenticeships to such students, the State will reimburse 50% of the stipend paid, subject to a ceiling of INR 15,000 per intern/apprentice per month, for a maximum duration of six (6) months per intern/apprentice, limited to fifty (50) interns/apprentices per unit per financial year. This reimbursement will be over and above any similar support being provided under existing schemes or programs of the Government of India or the Government of Haryana.

C. Incentives for Ecosystem Development and Production Support for Local Content

Recognizing the importance of fostering indigenous talent, promoting original intellectual property (IP), and strengthening the AVGC-XR ecosystem within the State, the Government of Haryana will provide the following production-linked incentives to eligible AVGC-XR units for creation of high-quality AVGC-XR content in Haryana.

S.No.	Category	Description of Support
1.	**Reimbursement of production cost for Animation Films**	Eligible AVGC-XR units producing animation feature films of a minimum duration of sixty (60) minutes within the State of Haryana will be eligible for reimbursement of 20% of eligible production cost incurred and paid, subject to a maximum ceiling of INR 1 crore per film and limited to one (1) sanction per financial year per unit. Such reimbursement will be subject to the film being theatrically released in cinema halls registered under applicable laws in India or released on an OTT platform or television channel licensed or registered under applicable laws in India.
2.	**Reimbursement of production cost for**	Eligible AVGC-XR units producing animation series comprising a minimum of ten (10) episodes within the State of Haryana will be eligible for reimbursement of 20% of the

S.No.	Category	Description of Support
	Animation Series	eligible production cost, subject to a maximum ceiling of INR 30 lakh per series and limited to two (2) sanctions per financial year per unit. For the purposes of this provision, the animation series must be released on a licensed distribution platform, which will mean: a. An OTT platform licensed or registered under applicable laws in India; or b. A television channel licensed or registered under applicable laws in India.
3.	**Production grant for XR/VFX Projects**	Eligible AVGC-XR units undertaking XR or VFX production activities within the State of Haryana, either under their own intellectual property (IP) or pursuant to a service contract with an Indian or international production house, will be eligible for reimbursement of 20% of the eligible production cost, subject to a maximum ceiling of INR 50 lakh per project and limited to one (1) sanction per financial year per unit. Such reimbursement will be subject to the following conditions: i. In case of projects executed under a service contract, the minimum contract value will not be less than INR 15 lakh; and ii. The final output will either be theatrically released through cinema halls registered under applicable laws in India; or be released on an OTT platform or television channel licensed or registered under applicable laws in India.

S.No.	Category	Description of Support
4.	**Reimbursement of GAME Production Cost**	Eligible AVGC-XR units developing games as defined under this policy will be eligible for reimbursement of 20% of eligible game development cost subject to a ceiling of INR 10 lakh per game and limited to one (1) sanction per financial year per unit Eligibility will be subject to the game achieving a minimum of 2 lakh verified downloads or installs on digital distribution platforms such as iOS/Google Play/Windows

General conditions applicable for availing benefits under this section:

i. The applicant must be an eligible AVGC-XR unit as defined under this Policy.

ii. Production activities must be substantially carried out within the State of Haryana. For the purposes of clarity, not less than 60% of the total eligible production expenditure should have been incurred within the State of Haryana and the same will be supported by documentary evidence and certified by a Chartered Accountant

iii. Eligible expenditure will include direct production costs such as creative development, animation, modelling, rigging, rendering, VFX processing, sound production, studio rental, post-production, technical manpower and related production expenses. Expenditure on marketing, publicity, distribution, financing costs, overheads not directly attributable to production, land or building acquisition and unrelated capital expenditure will not be eligible.
The applicant will furnish audited statements of eligible production expenditure and proof of release and the same must be certified by a Chartered Accountant

iv. Units must employ at least 50% domiciled employees from Haryana in production-related roles during the project period, supported by payroll records and statutory filings to be eligible to avail incentives under this section.

v. All eligible AVGC-XR units intending to avail incentives under this section will be required to submit their detailed project proposal, including concept note, budget estimates, production plan and employment details, to the Haryana Film Promotion Board (HFPB) and obtain prior approval before commencement of production of animation films, animation series, XR/VFX projects or games, as applicable.

vi. Incentive sanction under this section will be subject to post-completion verification by the Haryana Film Promotion Board. The Board will assess the quality, originality, and compliance of the final output with the approved proposal and policy provisions. Disbursement of incentives will be made only upon certification by the Haryana Film Promotion Board that the project meets the prescribed standards and eligibility criteria.
The decision of the Haryana Film Promotion Board and the Competent Authority regarding approval, quality assessment, eligibility and sanction will be final and binding.

D. Special Incentives for Eligible Units

S. No.	Category	Description of Support
1.	**Support to Local / Regional Content Creators**	The Government of Haryana will facilitate market access and visibility for local content creators, regional artists and AVGC-XR enterprises engaged in the creation of original content and intellectual property (IP) within the State. To achieve this, the Government may organize and support curated industry engagement platforms, including content markets, buyer-seller meets, investor connect programmes, showcase festivals and networking events, bringing together broadcasters, OTT platforms, content acquirers, publishers, production houses, distributors, investors and other relevant stakeholders.
2.	**Grand Challenge**	The Government of Haryana will periodically organize 'AVGC-XR Grand Challenges' to identify and support new and disruptive technological innovations in the AVGC-XR industry. The Grand Challenge will serve as a competitive innovation platform aimed at encouraging start-ups, students, entrepreneurs, studios and technology developers to conceptualize and develop high-impact products, tools and content leveraging advanced technologies such as Artificial Intelligence (AI), Machine Learning (ML), Data Analytics, Big Data, Internet of Things (IoT), Blockchain, real-time

S. No.	Category	Description of Support
		rendering, immersive technologies and other emerging digital innovations.

E. Special Incentives for Startup Units

S.No.	Incentive	Description of Support
1.	**Incubation support for Startup Champions**	The top five performing startup entities operating in Haryana will be identified annually based on an evaluation framework and criteria as prescribed by the Steering Committee from time to time. Such identified startups will be provided free incubation space in Government-owned incubators operational within the State of Haryana, subject to the following conditions: a. Each startup will be provided a maximum of five (5) incubation seats/workstations; b. The initial allotment of incubation space will be for a period of one (1) year; c. The incubation support may be extended on a year-to-year basis, subject to demonstrated satisfactory performance of the startup, for a maximum cumulative period of three (3) years. d. The decision of the Steering Committee regarding selection, continuation, and extension of incubation support will be final and binding.
2.	**Financial assistance for prototyping**	Eligible AVGC-XR Start-ups will be entitled to reimbursement of 50% of the eligible expenditure incurred for development of prototypes, subject to a maximum ceiling of INR 10 lakh per start-up per financial year, limited to two (2) sanctions per financial year per start-up. For the purpose of this provision, “prototype” will include early-stage development of: • Playable game prototypes or gameplay mechanics

S.No.	Incentive	Description of Support
		• Proof-of-concept animation content • Storyboards and pre-visualization assets for films or series • Early-stage VR/AR/XR experiences • Interactive demos or pilot builds of AVGC-XR products • Technology or tool prototypes specific to AVGC-XR applications Eligible expenditure will include direct costs related to design, development, software tools, testing, technical manpower and production inputs necessary for prototype development. Marketing, distribution, hardware purchase unrelated to prototype development, and routine operational expenses will not be eligible
3.	**Venture Capital Fund**	The Government of Haryana has set up a Venture Capital Fund for providing financial support for promoting start-ups, women entrepreneurs and entrepreneurs from SC/ ST category. Eligible AVGC-XR units will be given preference while allocating funds under the proposed venture capital fund.
4.	**Access to Funding & Partner Networks**	The Government will provide a platform for facilitating startups to collaborate and connect with potential investors and partners for their business viability and growth. It will serve as network building platform where the startups can secure funding, foster innovation, and expand their reach in other regions.

F. Fiscal Support for setting up the Centre of Excellence (CoE)

To position Haryana as a leading innovation hub in the Animation, Visual Effects, Gaming, Comics and Extended Reality (AVGC-XR) sector, the Government of Haryana will support the establishment of one CoEs dedicated to the Gaming and Interactive Media sector and two COEs for the Animation, Visual Effects, Comics and XR sectors in collaboration with reputed academic institutions of national importance, industry associations, government/public entities, or leading private sector organizations, as approved by the Competent Authority.

The CoEs will function as shared innovation platforms for advanced research, virtual production, immersive technologies, skill development, IP creation, incubation and industry-academia collaboration in the AVGC-XR domain.

i. **Capital Expenditure Subsidy**

Eligible CoEs will be entitled to reimbursement of **50% of Eligible Capital Expenditure (ECE)** incurred for establishment of the Centre of Excellence, subject to a maximum ceiling of **INR 5 crore per CoE**.

Eligible Capital Expenditure will include new investments actually incurred and paid towards:

a. Construction or development of production studios and infrastructure
b. Studio fit-outs and furnishing directly related to AVGC-XR operations
c. Purchase of new machinery and equipment including motion capture systems, rendering farms, high-performance computing systems, XR labs, virtual production systems and related digital infrastructure
d. Licensed software, proprietary technology tools and production pipelines
e. Establishment of common facilities such as immersive labs, sound studios and digital production infrastructure

Expenditure on land acquisition, goodwill, brand acquisition, financial restructuring costs and unrelated capital expenses will not be eligible unless specifically approved.

ii. **Operational Expenditure Subsidy**

Eligible CoEs will be entitled to reimbursement of **50% of Eligible Operational Expenditure**, subject to a maximum of **INR 1 crore per annum per CoE**, for a period of **five (5) years** from the date of commencement of operations.

Eligible Operational Expenditure will include:

a. Salaries and honoraria of technical, research and training personnel
b. Maintenance of production and immersive technology infrastructure
c. Lease or rental of operational premises (if applicable) - will be eligible @75% of actual annual rent paid by the unit and subject to an annual cap of 6% of the valuation of the property as assessed by a valuer registered under the Companies (Registered Valuers and Valuation) Rules, 2017, as amended from time to time

d. Training, skilling and capacity-building programmes
e. Research and development activities
f. Incubation and start-up support activities

Routine administrative overheads not directly linked to CoE activities will not be eligible unless specifically approved.

G. Fiscal Support for setting up AVGC Parks

To incentivize the development of AVGC Parks at strategic locations in the State, the Government of Haryana shall provide fiscal support to AVGC Parks that obtain relevant licence from the Town and Country Planning Department, Government of Haryana, and Consent to Establish (CTE) during the operational period of this policy, and are developed in accordance with the prevailing norms of the Town and Country Planning Department. The fiscal support provided is as below:

i. Capital Subsidy or Net SGST Reimbursement Support

Eligible private AVGC Park developers shall be provided an option to choose between availing capital subsidy support or net SGST reimbursement support as showcased below.

a. Option 1: Capital Subsidy Support

S.No.	Area Category	Percentage of financial assistance (reimbursement as a % of eligible capital expenditure)
1.	Sub-Prime	75%
2.	Prime/Focus Areas	85%

Note: Any land/area granted an industrial colony license by the Town and Country Planning Department after the notification of this policy shall be treated as a Sub-Prime Area.

Eligible capital expenditure will include the cost incurred for the development of trunk infrastructure/ associated utilities such as internal roads, power generation/distribution system, power back-up systems, water treatment plant, sewerage treatment plant/ common effluent treatment plant, utility tunnels, requisite technological and communication infrastructure etc., required for the smooth functioning of units within the park. The maximum assistance offered by the Govt. of Haryana will be capped at a ceiling of INR 45 Crores per park.

Further, this incentive will be disbursed in tranches, based on completion and occupancy as shown below:

Instalment	Criteria	Grant Tranche
First Instalment	On grant of requisite license from TCP Department, development of the AVGC Park with requisite amenities as per approved development plan and grant of completion by Department of Town and Country Planning	50% of Eligible Incentive
Second Instalment	Proof of operation of at least 25% of total permissible area earmarked for setting up units as per approved development plan.	20% of Eligible Incentive
Third Instalment	Proof of operation of at least 50% of total permissible area earmarked for setting up units as per approved development plan.	15% of Eligible Incentive
Fourth Instalment	Proof of operation of at least 75% of total permissible area earmarked for setting up units as per approved development plan.	15% of Eligible Incentive

b. Option 2: SGST Reimbursement Support

Eligible Developers may also choose to avail Net SGST reimbursement on the expenditure incurred towards the development of trunk infrastructure/ associated utilities such as internal roads, power generation/distribution system, captive renewable energy plants, power back-up systems, water treatment plant, sewerage treatment plant/ common effluent treatment plant, utility tunnels, requisite technological and communication infrastructure etc., required for the smooth functioning of units within the park for a period of five years from the date of obtaining Consent to Establish (CTE) and subject to an overall cap of INR 45 crore per park. The Net SGST reimbursement shall be provided at the following rates:

Area	Quantum of Net SGST Reimbursement
Sub-Prime Area	60% reimbursement for 7 years
Prime/Focus Area	70% reimbursement for 7 years

Note: Any land/area granted an industrial colony license by the Town and Country Planning Department after the notification of this policy shall be treated as a Sub-Prime Area.

ii. **Stamp Duty Reimbursement Subsidy Incentive**

100% of the Stamp Duty paid by the developer for parks being developed in Sub-Prime and Prime/Focus Areas will be reimbursed upon obtaining of requisite license for development and CTE during the policy period, irrespective of the period in which the land was purchased.

11. Simplified Regulatory Regime

Further, in its endeavour to create a conducive business climate for the AVGC-XR sector, the Government of Haryana has implemented some landmark reforms for regulatory simplification. These reforms are aimed at improving the Ease of Doing Business in the State and ensuring a hassle-free experience for the investor.

A. Constitution of Haryana Enterprises Promotion Centre for promotion of Ease of Doing Business

The Government of Haryana has established the Haryana Enterprises Promotion Centre (HEPC) as a dedicated nodal agency under the Haryana Enterprises Promotion Act, 2016 (HEPA) to facilitate and promote ease of doing business in the State. Operating as a single-roof clearance mechanism, HEPC streamlines the process of obtaining clearances, approvals and licenses required by businesses and investors to set up and operate enterprises in Haryana.

B. Invest Haryana Single Window Portal

The Government of Haryana has developed the Invest Haryana Single Window Portal as an integrated online platform to simplify and expedite the process of setting up businesses in Haryana. This portal serves as a one-stop digital interface to streamline regulatory processes and ensure ease of access to over 140 business related services, ensuring transparency, reduced paperwork, and minimization of delays by providing a seamless, end-to-end service experience.

C. Timebound Clearances for All Services

The Government has laid down clearly defined timelines for delivery of services on the Invest Haryana Single Window Portal. The Government will ensure that approvals for all services are granted within the timelines specified.

D. Self-Certification and Third-Party Certification

The Government of Haryana has allowed Self-certification vide Notification No. 11/12/2018-4Lab dated 03.05.2018 (as amended from time to time), for Labour related clearances and approvals under 14 acts of the Labour Department in Haryana as shown below:

- Factories Act, 1948 and Rules framed thereunder.
- Minimum Wages Act, 1948 and Rules framed thereunder.
- Payment of Wages Act, 1936 and Rules framed thereunder.
- Contract Labour (Regulation & Abolition) Act, 1970 and Rules framed thereunder.
- Payment of Bonus Act. 1965 and Rules framed thereunder.
- Payment of Gratuity Act, 1972 and Rules framed thereunder.
- Maternity Benefit Act, 1961 and Rules framed thereunder.
- Child Labour (Prohibition & Regulation) Act, and Rules framed thereunder.
- Shops & Commercial Establishments Act, 1958 and Rules framed thereunder.
- The Inter-State Migrant Workmen (RECS) Act, 1979 and Rules framed thereunder.
- The Equal Remuneration Act, 1976 and Rules framed thereunder.
- Motor Transport Workers Act, 1961 and Rules framed thereunder.
- Punjab Industrial Establishments (National & Festival Holidays & Casual and Sick Leave) Act, 1965.
- The Building and Other Construction Works (Regulation of Employment and Conditions of Service) Act, 1996

The Government of Haryana has also notified 3rd Party Certification/ Audit Scheme (Amendment), 2018 vide Notification No. 11/13/2018-4Lab dated 03.05.2018 (as amended from time to time) to facilitate entrepreneurs for complying with the provisions of Factories Act, 1948 and rules framed there-under.

E. Online single return for various Acts pertaining to the Department of Labour

The Labour Department has implemented the online submission of a unified single return under all labour laws.

F. Allowing three shifts and night shifts for Women

AVGC-XR Units will be permitted 3 shift operations with women allowed to work during night shifts, subject to adherence to necessary norms by the units with respect to the safety and security of women employees. In addition, the Labour Department will implement an auto-renewal system basis self-certification for such permissions (subject to fulfilling necessary regulatory compliance) and encourage faceless and paperless approval.

G. Compliances Reduction and Deregulation

The Government of Haryana has undertaken the following key reforms to simplify and consolidate regulatory processes, remove duplicative licensing requirements and expedite approvals at both the establishment and operational stages of businesses:

- To provide flexibility to developers, the Government will promote mixed land use in new master plans, with a particular focus on Transit Oriented Development (TOD) zones
- The State has introduced a prohibited list of activities under the Mixed Land Use category in the Development Plans. All activities, except those explicitly included in the prohibited list, will be considered permissible, subject to compliance with the prevailing policy parameters.
- Third-party certification have been introduced for granting Consent to Operate (CTO) to Green category industries (other than MSMEs). For MSMEs in the Green category, CTO through self-certification has been allowed.
- The State has reduced timelines from 30 working days to 21 working days for providing Consent to Establish and Consent to Operate.
- The State has expanded the list of White Category Industries to 734 incorporating the recent changes in the White Category list issued by CPCB.
- A provision for instant automated CLU approval has been introduced in designated industrial zones and the documentation required to obtain Change of Land Use (CLU) approval has been streamlined to only three essential documents - the ownership document, the project report, and the indemnity bond.
- The area requirement for establishing industries has been completely waived.
- The State has removed earlier restrictions that prohibited women from working in certain hazardous industries.
- The State has allowed the industries on 20 ft. (6m) wide village link roads also in the agriculture/rural zone and industrial units in agriculture zone having direct access from Schedule Road, National Highway and State Highway.
- Clearances for obtaining utilities such as electricity and water connections have been fully integrated into the Invest Haryana Portal.
- The threshold under the Haryana Shops and Commercial Establishment Act, 1958 has been increased from 0 to 20 workers, thereby reducing compliance obligations for smaller establishments.
- The State has also increased daily working hours from 9 to 10 and weekly quarterly overtime upto 156 hours.

- The Haryana Building Code has been amended in line with global best practices to allow for unrestricted FAR, unrestricted Ground Coverage and unrestricted Maximum Permissible Height have been permitted subject to fulfilment of fire safety, structural safety, light & ventilation and parking norms as specified in the code and payment of fees/ charges as applicable.
- The Haryana Building Code has also been amended to allow third-party agencies to grant Occupation Certificates for high-risk buildings.

H. Timely Processing of Incentive Applications:

To enhance transparency, certainty, and timeliness in the processing and disbursement of incentives, the State Government will ensure upfront release of fifty percent (50%) of the eligible incentive amount after preliminary scrutiny of the incentive claim within seven (7) working days from the date of submission of the application. The remaining fifty percent (50%) of the eligible incentive will thereafter be disbursed within forty-five (45) working days from the date of application after detailed scrutiny of applications.

The timeliness of incentive processing and disbursement will be tracked through the Invest Haryana Single Window Portal. In case of any delay purely attributable to the concerned Department, interest at the rate of 8% per annum, or such different rate as may be notified by the Government from time to time, will be payable on the delayed incentive amount.

Note: All the eligible AVGC-XR units will be given the above regulatory benefits in addition to the ones mentioned in the Make in Haryana Industrial Policy (as amended from time to time) or any new Industrial Policy of the State

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