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GOVERNMENT OF PUNJAB
DEPARTMENT OF INDUSTRIES & COMMERCE
NOTIFICATION

The 8th March, 2026

No. PIU/IBDP-2026/Sectoral Policies/907.- In pursuance of the approval of the Council of Ministers, Government of Punjab granted in its meeting held on 07/03/2026, the Governor of Punjab is pleased to notify 'Sectoral Policies' as per Annexure –A.

Chandigarh
The 8th March, 2026

GURKIRAT KIRPAL SINGH, IAS
Administrative Secretary to Government of Punjab
Department of Industries & Commerce

SECTORAL POLICIES



**Department of Industries & Commerce,
Government of Punjab**

Sectoral Policies under IBDP 2026

LIST OF 24 SECTORAL POLICIES

S. No	Policy Name	Overall Cap	Incentives Structure
1	Punjab Food Processing Policy 2026	125% of FCI, max 500 Cr, whichever is lower	As listed in the document
2	Punjab ESDM & Semiconductor Policy 2026	125% of FCI, max 500 Cr, whichever is lower	As listed in the document
3	Punjab Electric Vehicle Manufacturing Policy 2026	125% of FCI, max 500 Cr, whichever is lower	As listed in the document
4	Punjab Logistics & Warehousing Policy 2026	100/125% of FCI, max 500 Cr, whichever is lower	As listed in the document
5	Punjab Tourism & Hospitality Policy 2026	25% of FCI, max INR 25 Cr, whichever is lower	As listed in the document
6	Punjab Film Promotion Policy 2026	Film/Web Series/ Documentary: 25% of FCI or INR 3 Cr, whichever is lower Film Infra: - 25% of FCI or INR 25 Cr, whichever is lower	As listed in the document
7	Punjab Retail Investment & Modernization Policy 2026	NA	As listed in the document
8	Punjab Hospital and Medical College Investment Policy 2026	50% of FCI, max INR 50 Cr, whichever is lower	As listed in the document
9	Punjab Higher Education Investment Policy 2026	Overall Incentives capped at INR 50 crore	As listed in the document
10	Punjab Renewable Energy Policy 2026	NA	As listed in the document

11	Punjab Startups Policy 2026	NA	As listed in the document
12	Punjab IT/ITeS, Data Centre and GCC Policy 2026	125% of FCI, max 500 Cr, whichever is lower	As listed in the document
13	Punjab Spinning & Weaving Policy 2026	100/125% of FCI, max 500 Cr, whichever is lower	Incentives same as Punjab Industrial and Business Development Policy (IBDP)2026
14	Punjab Textiles & Apparel Policy 2026	100/125% of FCI, max 500 Cr, whichever is lower	Incentives same as Punjab Industrial and Business Development Policy (IBDP)2026
15	Punjab Dyeing & Finishing Policy 2026	100/125% of FCI, max 500 Cr, whichever is lower	Incentives same as Punjab Industrial and Business Development Policy (IBDP)2026
16	Punjab Pharmaceuticals Policy 2026	100/125% of FCI, max 500 Cr, whichever is lower	Incentives same as Punjab Industrial and Business Development Policy (IBDP)2026
17	Punjab Auto & Auto Components Policy 2026	100/125% of FCI, max 500 Cr, whichever is lower	Incentives same as Punjab Industrial and Business Development Policy (IBDP)2026
18	Punjab Bicycle Manufacturing Policy 2026	100/125% of FCI, max 500 Cr, whichever is lower	Incentives same as Punjab Industrial and Business Development Policy (IBDP)2026
19	Punjab Sports Good Manufacturing Policy 2026	100/125% of FCI, max 500 Cr, whichever is lower	Incentives same as Punjab Industrial and Business Development Policy (IBDP)2026

20	Punjab Machine and Hand Tools Manufacturing Policy 2026	100/125% of FCI, max 500 Cr, whichever is lower	Incentives same as Punjab Industrial and Business Development Policy (IBDP)2026
21	Punjab Steel & Rolling Policy 2026	100/125% of FCI, max 500 Cr, whichever is lower	Incentives same as Punjab Industrial and Business Development Policy (IBDP)2026
22	Punjab Plastics & Chemicals Policy 2026	100/125% of FCI, max 500 Cr, whichever is lower	Incentives same as Punjab Industrial and Business Development Policy (IBDP)2026
23	Punjab Heavy Machinery Policy 2026	100/125% of FCI, max 500 Cr, whichever is lower	Incentives same as Punjab Industrial and Business Development Policy (IBDP)2026
24	Punjab Furniture & Plywood Policy 2026	100/125% of FCI, max 500 Cr, whichever is lower	Incentives same as Punjab Industrial and Business Development Policy (IBDP)2026

PUNJAB FOOD PROCESSING POLICY 2026

1. OVERALL INCENTIVE CAPPING

Sector	Overall Incentive Capping
Food Processing	125% of FCI or INR 500 Cr, whichever is lower

2. ELIGIBILITY PERIOD OF INCENTIVES

The eligibility period of incentives shall be as per clause 5.1.2 of Punjab Industrial and Business Development Policy, 2026

3. ANNUAL CEILING OF FISCAL INCENTIVES

The annual ceiling of fiscal incentives shall be as per clause 5.1.3 of Punjab Industrial and Business Development Policy, 2026

4. PROCESS FOR DISBURSEMENT OF INCENTIVES

- The process for disbursement of incentives shall be as per clause 5.1.4 of Punjab Industrial and Business Development Policy, 2026.
- In addition, for meat processing industry, process of payment of Mandi Fee/ Market Fee/ Rural Development Fee and other State taxes shall be simplified.

5. INCENTIVES

In addition to the incentives available under Punjab Industrial & Business Development Policy (IBDP) 2026, following fiscal incentive shall be available to an Eligible Unit falling under Food Processing sector: -

Sno	Nature of Incentive	Extent of Incentive
1	Exemption of Mandi Fee/ Market Fee/ Rural Development Fee and other State taxes:	100% exemption of all taxes and fees paid for purchase of raw material for eligible food processing units for a period of 5 years from the date of commercial production.

- An Eligible unit procuring 100% raw agricultural produce excluding wheat and paddy, at Minimum Support Price (MSP) for a continuous period for the first five (5) years from the State of Punjab, then for those financial years:
 - The unit shall be eligible for a 100% reimbursement of Net SGST. Additionally, for the 6th year only, the units shall also be eligible for additional annual cap at 10% over and above of the annual ceiling as per clause 5.1.3.

- b. In case the above condition i.e., procuring 100% raw agricultural produce excluding wheat and paddy, at notified Minimum Support Price (MSP) for a continuous period for the first five (5) years from the State of Punjab is not satisfied, then the unit shall not be eligible for additional annual cap at 10% of FCI over and above the annual ceiling as per clause 5.1.3 for the 6th year. However, the unit shall be eligible for the claim of 100% Net SGST reimbursement for those specific years for which it procures 100% raw agricultural produce excluding wheat and paddy at the notified MSP.

The illustrations in support of the incentive are as follows: -

Illustration I: *If M/s ABC procures 100% raw agricultural produce (excluding Wheat and paddy) from the Mandis of Punjab at the Government notified Minimum Support Price (MSP) for a continuous period of five (5) years, then subject to other prescribed conditions, the unit shall be eligible for an enhanced Annual Ceiling of incentive of 10% of the FCI for the 6th year and for these 5 years reimbursement of Net SGST would be 100%.*

Illustration II: *M/s XYZ procure 100% raw agricultural produce (excluding Wheat and paddy) from the Mandis of Punjab at the Government notified Minimum Support Price (MSP) for non-continuous period. Eg. The unit procures 100% raw material in any year during the eligibility period, then the unit shall be eligible to claim 100% of the net SGST for that specific year(s) in which the condition is fulfilled. However, in other cases, the unit shall be eligible to claim 75% of Net SGST.*

6. DEFINITIONS

- (ii) **Food Processing Unit:** Food processing Unit is defined as the transformation of agriculture & allied produce (Horticulture, Animal Husbandry and Fisheries) into food that is suitable for consumption. Food Processing units are entities where the agriculture produce/food undergoes a change through a process involving employees, power, machines or money. The processing may involve methods such as grading, sorting and packaging with a view to preserve food substances in an effective manner, enhance their shelf life, quality and make them functionally more useful.

PUNJAB ESDM & SEMICONDUCTOR POLICY 2026

1. OVERALL INCENTIVE CAPPING

Sector	Overall Incentive Capping
ESDM / Semiconductor	125% of FCI or INR 500 Cr, whichever is lower

2. ELIGIBILITY PERIOD OF INCENTIVES

The eligibility period of incentives shall be as per clause 5.1.2 of Punjab Industrial and Business Development Policy, 2026

3. ANNUAL CEILING OF FISCAL INCENTIVES

The annual ceiling of fiscal incentives shall be as per clause 5.1.3 of Punjab Industrial and Business Development Policy, 2026

4. PROCESS FOR DISBURSEMENT OF INCENTIVES

The process for disbursement of incentives shall be as per clause 5.1.4 of Punjab Industrial and Business Development Policy, 2026

5. INCENTIVES

In addition to the incentives available under Punjab Industrial & Business Development Policy (IBDP) 2026, following fiscal incentive shall be available to an Eligible Unit falling under Punjab ESDM & Semiconductor:

- (i) **Water Tariff:** Eligible Unit shall receive a reimbursement of 25% on the applicable water tariff paid for a period of five (5) years from the date of commencement of production.
- (ii) **Dual Power Grid Availability:** Dual Grid lines power supply shall be provided to the unit on demand as per the prevailing tariffs, subject to PSERC approval.

6. DEFINITIONS

- (i) **Electronics System Design and Manufacturing (ESDM):** The entire value chain of all electronic verticals /products covered under the National Policy on Electronics and related notifications issued by the Ministry of Electronics & Information Technology (MEITY), Ministry of Communication & Information Technology, Government of India as amended from time to time.
- (ii) **Electronic Manufacturing Services (EMS):** EMS include Engineering and design of PCBs; PCB assembly, including sub-assemblies; Functional testing, Maintenance services such as warranty and repair services, etc.; Product and component design.

- (iii) **Semiconductor Manufacturing:** Semiconductor Manufacturing refers to Fab Plants on the front-end and Assembling, Testing, Marking and Packaging (ATMP)/ Outsourced Semiconductor Assembly and Test (OSAT) plants on the back end. These Fabs are generally characterized by type of technology, feature size and wafer size.
- (iv) **Semiconductor Fabrication:** Semiconductor Fabrication (FAB) refers to the highly advanced, ultra-clean manufacturing facility where integrated circuits (chips) are produced on silicon wafers.

Display Fabrication: Display fabrication in semiconductors refers to the manufacturing process for creating flat-panel displays like LCDs and OLEDs on large glass sheets.

PUNJAB ELECTRIC VEHICLE MANUFACTURING POLICY 2026

1. OVERALL INCENTIVE CAPPING

Sector	Overall Incentive Capping
Electric Vehicle Manufacturing	125% of FCI or INR 500 Cr, whichever is lower

2. ELIGIBILITY PERIOD OF INCENTIVES

The eligibility period of incentives shall be as per clause 5.1.2 of Punjab Industrial and Business Development Policy, 2026

3. ANNUAL CEILING OF FISCAL INCENTIVES

The annual ceiling of fiscal incentives shall be as per clause 5.1.3 of Punjab Industrial and Business Development Policy, 2026

4. PROCESS FOR DISBURSEMENT OF INCENTIVES

The process for disbursement of incentives shall be as per clause 5.1.4 of Punjab Industrial and Business Development Policy, 2026

5. INCENTIVES

For Electric Vehicle Manufacturing Units:

- (i) Eligible Units manufacturing Electric Vehicles and Components shall be per Punjab Industrial & Business Development Policy (IBDP) 2026.

For Electric Vehicle Charging Stations:

- (i) **Rebate on Power Tariff:** To promote the establishment of Electric Vehicle (EV) Charging Stations, the State shall encourage Private Enterprises and Public Sector Undertakings (PSUs) to set up Electric Vehicle Public Charging Infrastructure across the State. The Punjab State Power Corporation Limited (PSPCL) shall provide a dedicated connection and shall provide power at a Variable Tariff of Rs. 5/- per KVAh till such time as decided by State Government.

For Purchase of Electric Vehicles:

- (i) **Registration Fee & Road Tax:** In line with the notification number 10/43/2018-2T2, dated 10th April 2023 from Department of Transport, Government of Punjab, Electric Vehicles (EVs) shall be exempt from the payment of fees for new vehicle registration.
- (ii) In addition to the registration fee, Road Tax on all registered Electric Vehicles (or BOVs) registered in Punjab shall be exempted during the policy period.

- (iii) Purchase incentives listed above shall be applicable only to advance cell chemistry based (Lithium-ion battery) vehicles recognized under the Govt. of India's FAME phase-II guidelines, including swappable battery model.

6. DEFINITION

- (i) Under the Policy end to end ecosystem i.e., battery manufacturing, EV Manufacturing, EV Component Manufacturing motors, controllers, power trains, battery management systems, charging equipment, swapping equipment, power convertors, telematics, solar systems for Electric Vehicles (EVs), other related components shall be included.
- (ii) Manufacturing units of EVs (and related facilities) shall be included to the list of manufacturing enterprises under MSME or large category eligible for fiscal incentives under Punjab Industrial and Business Development Policy (IBDP) 2026.
- (iii) For the purposes of this Policy, Electric Vehicle Charging Station shall be defined in accordance with the guidelines issued by the Ministry of Power, Government of India, as amended from time to time, and shall include the following:
 - a. **Electric Vehicle Supply Equipment (EVSE)** shall mean an element in Electric Vehicle Charging Infrastructure (EVCI) that supplies electrical energy for recharging the battery of electric vehicles.
 - b. **Public Charging Station (PCS)** shall mean an EV charging station where any electric vehicle can get its battery recharged.
 - c. **Battery Charging Station (BCS)** shall mean a station where the discharged or partially discharged electric batteries for electric vehicles are electrically recharged.
 - d. **Captive Charging Station (CCS)** shall mean an electric vehicle charging station exclusively for the electric vehicles owned or under the control of the owner of the charging station e.g., Government Departments, Corporate houses, Bus Depots, charging stations owned by the fleet owners etc. and shall not be used for commercial purpose of charging other vehicles on paid for basis.
 - e. **Battery Swapping Station (BSS)** shall mean a station where any electric vehicle can get its discharged battery or partially charged battery replaced by a charged battery.

PUNJAB LOGISTICS & WAREHOUSING POLICY 2026

1. OVERALL INCENTIVE CAPPING

Sector	Overall Incentive Capping
Warehousing & Logistics Sector	100% of FCI or INR 500 Cr, whichever is lower

2. ELIGIBILITY PERIOD OF INCENTIVES

The eligibility period of incentives shall be as per clause 5.1.2 of Punjab Industrial and Business Development Policy, 2026

3. ANNUAL CEILING OF FISCAL INCENTIVES

The annual ceiling of fiscal incentives shall be as per clause 5.1.3 of Punjab Industrial and Business Development Policy, 2026

4. PROCESS FOR DISBURSEMENT OF INCENTIVES

The process for disbursement of incentives shall be as per clause 5.1.4 of Punjab Industrial and Business Development Policy, 2026

5. ELIGIBLE UNITS

- (i) **Logistics Parks, Multi-Modal Logistics Parks (MMLPs) and others:** Logistics Parks, Air Freight Station, Air Cargo Complexes, Container Freight Station, Inland Container Depot, Logistics Park, Multi-Modal Logistics Park, Private Freight Terminal / Gati Shakti Multi-modal Cargo Terminal (GCT), and Truck Terminals.
- (ii) **Storage Facilities:** Cold chain facility and Warehouses.
- (iii) **Any existing units undertaking expansion shall not be eligible for incentives.**

6. FISCAL INCENTIVES

- (i) **Capital Subsidy**
 - a. **Logistics Parks, Multi-Modal Logistics Parks (MMLPs) and others:** Eligible Units shall receive a capital subsidy of up to 20% of FCI, subject to maximum capping of INR 10 crore, disbursed over the eligibility period.
 - b. **Cold Chain Facility:** Eligible Units shall receive capital subsidy of up to 20% of FCI, subject to maximum capping of INR 10 crore, disbursed over the eligibility period.
- (ii) **Employment Generation Subsidy:**

Warehouses: Eligible Units shall receive Employment Generation Subsidy as per clause 5.2.5 of Industrial & Business Development Policy, 2026, disbursed over the eligibility period.

- (iii) **Electricity Duty:** 100% exemption from electricity duty for the eligibility period.
- (iv) **Stamp Duty:** 100% exemption/ reimbursement from stamp duty for purchase or lease of land and/or building.
- (v) **Change of Land Use (CLU):** 100% exemption from CLU charges, as applicable.

7. DEFINITIONS

7.1 Logistics Parks, Multi-Modal Logistics Parks (MMLPs) and others:

- (i) **Air Freight Station** means a customs notified off-airport common user facility equipped with fixed installations of minimum requirement and offering services for handling and temporary storage of import and export cargo, etc. These facilities shall be equipped with customs/ non-customs bonded warehousing, parking area etc. and other common user facilities required to carry out efficient operations. These facilities shall be developed at strategic locations to provide smooth connectivity to the airports and may also have extended areas leased out to e-commerce zones.
- (ii) **Air Cargo Complexes** are customs notified areas developed to enhance air cargo movement capacity of the State. These facilities may be located within airport/ off airport locations and provide facilities such as handling, storage, clearance of cargo, among others.
- (iii) **Container Freight Station** means a custom notified off seaport (or port) facility having such fixed installations or otherwise, equipment, machinery etc. Providing services for handling / clearance of laden import, export containers under customs control and with storage facility for customs bonded or non-bonded cargo, parking area and such other facilities desired to carry out the operations.
- (iv) **Inland Container Depot** means a custom notified off seaport (port) facility having such fixed installations or otherwise, equipment, machinery etc. providing services for handling and/or clearance of laden import/ export containers, under customs control and with storage facility for customs bonded or non-bonded cargo. These facilities shall have road connectivity, rail connectivity, customs/non-customs bonded warehousing, truck terminals etc. and other common user facilities required to carry out efficient operations
- (v) **Logistics Park** means an agglomeration of a given set of logistics activities (core, value added, ancillary as well as commercial) at a particular, well-defined location. Such a park will be developed on a **minimum area of 20 acres with a total investment of at least INR 25 crore** and will include but not be limited to the following activities: Warehousing Storage System, Industrial Plots, Logistics Services, Infrastructure for value added and ancillary industries & commercial activity, Sector specific in-bound and out-bound logistics, Inter-modal transfer arrangements/ truck terminals. A minimum of 85% of the total area shall be used for providing logistics services and within this 20% shall be

permitted for industrial activities. 10% of the total remaining area shall be allowed for residential purposes. For commercial activities, up to 5% of the total area shall be allowed.

- (vi) **Multi-Modal Logistics Park** means a logistics facility with access to more than one mode of transport. An Integrated/Multi Modal Logistics Park (MMLP) is defined as a multi-modal freight handling facility with a minimum area of 50 acres with a total investment of at least INR 100 crore.
- (vii) **Private Freight Terminal / Gati Shakti Multi-modal Cargo Terminal (GCT):** A terminal notified under Gati Shakti Multi-modal Cargo Terminal (GCT) or PFT policy to deal with rail-based cargo including containers. Greenfield PFT means a new PFT commissioned on private land under the provisions of the PFT policy. Brownfield PFT is used to refer to an existing private siding (including the private sidings dealing with container traffic) converted into PFT under the policy.
- (viii) **Truck Terminals** mean such facilities which are developed in order to ease traffic congestion in strategic locations such as the district logistics nodes, industrial areas, national/ state highways, expressways intersection points, etc. Truck terminals may provide facilities such as repair and maintenance of the trucks, stores for spare parts, ATMs, fuel stations, parking spaces, transport offices, sanitary facilities, weighbridges, storage spaces etc. These facilities may also have lodging facilities for drivers and helpers along with areas for loading/unloading (cross docking) of cargo among other facilities. Facilities to check vehicle fitness automatically may also be provided at truck terminals. Such shall be developed on a minimum area of 10 acres with a minimum parking capacity of 100 Trucks.

7. 2 Storage Facilities:

- (i) **Cold Chain Facility** means a facility for storage and minimal processing of perishable/ temperature sensitive cargo such as agriculture, horticulture, dairy, fish & marine, poultry & meat products, pharma etc. with a linkage from source to the consumer. The key components of Cold Chain Facility may include:
 - a. Controlled Atmosphere (CA)/ Modified Atmosphere (MA) chambers, Variable Humidity Chambers, Ambient Storage, Individual Quick Freezing (IQF), blast freezing, etc.
 - b. Minimal Processing Centre may have facilities for weighing, sorting, grading, cleaning, waxing, packing, pre-cooling, fog treatment, irradiation facility, etc.
 - c. Mobile pre-cooling vans and reefer trucks may also be attached with cold chain facilities on dedicated basis to provide end to end services
- (ii) **Warehouse** areas including fulfilment facilities having a minimum of 30,000 sq. ft. of storage at the ground level, with or without material handling, packaging facilities and transport facilities.
 - a. Provided only specialized transportation facilities e.g. specialized vehicles such as refrigerated transport vehicles, specialized construction sector vehicles,

specialized chemical transportation vehicles, cryogenic vehicles will be counted for the purposes of FCI.

- b. It shall exclude normal transport vehicles, goods carriers, cargos, containers etc.
- c. The facility shall not be for self-consumption.

8. FIXED CAPITAL INVESTMENT (FCI)

8.1 In case of Logistics and Warehousing:

- (i) **Land:** As per Detailed Scheme of operational Guidelines (DSOG) of Industrial and Business Development Policy 2026.
- (ii) **Building:** As per Detailed Scheme of operational Guidelines (DSOG) of Industrial and Business Development Policy 2026 and shall also include the cost incurred on development and construction of permanent civil structures required for establishment and operation of **logistics parks, MMLPs, warehouses, cold storage facilities, others** including but not limited to:
 - a. Logistics Park and warehouse buildings, storage sheds, insulated chambers, cold rooms and silo structures (steel or concrete);
 - b. Foundations, storage bins, container yards, truck terminals, parking areas, loading and unloading docks, platforms and handling areas.
 - c. Internal Roads, Pavements, Boundary walls, Drainage systems, Storm-Water Management Systems and other permanent civil works; and
 - d. any other permanent civil structures essential for storage, handling, aggregation, distribution and logistics operations within the project premises.
- (iii) **Plant & Machinery:** As per Detailed Scheme of operational Guidelines (DSOG) of Industrial and Business Development Policy 2026 and shall also include the cost of new plant, machinery and material handling equipment installed for operations of **logistics parks, MMLPs, warehouses, cold storage facilities**, others including but not limited to:
 - a. material handling and storage equipment such as racking systems, shelving, stackers, forklifts, conveyors, pallet trucks, elevators, bucket elevators, weighbridges and other fixed operational machinery.
 - b. refrigeration and cold-chain equipment including compressors, condensers, evaporators, chilling and freezing units, blast freezers, controlled-atmosphere systems, insulation panels, humidity and temperature control equipment, and monitoring systems.
 - c. grain and bulk handling equipment such as aeration systems, drying systems, dust control systems, bin and silo handling mechanisms.
 - d. electrical installations and infrastructure including substations, transformers, captive power generation systems, power backup systems, lighting systems, and energy management systems; and
 - e. fire-safety systems, water supply and waste handling systems, effluent treatment facilities, security and surveillance systems, safety systems, and other essential support equipment installed for use within the project premises.

PUNJAB TOURISM & HOSPITALITY POLICY 2026

1. OVERALL INCENTIVE CAPPING

Category	Overall Incentive Capping
Hotel Units/Multiplex/ MICE/ Wellness Resort / Amusement or Theme Park/Adventure Park/Water Park	25% of FCI or INR 25 Cr, whichever is lower
Farm Stay Home Stay, Bed & Breakfast	10% of FCI or INR 5 Cr, whichever is lower

2. ELIGIBILITY PERIOD OF INCENTIVES

The eligibility period of incentives shall be as per clause 5.1.2 of Punjab Industrial and Business Development Policy, 2026

3. ANNUAL CEILING OF FISCAL INCENTIVES

The annual ceiling of fiscal incentives shall be as per clause 5.1.3 of Punjab Industrial and Business Development Policy, 2026

4. PROCESS FOR DISBURSEMENT OF INCENTIVES

The process for disbursement of incentives shall be as per clause 5.1.4 of Punjab Industrial and Business Development Policy, 2026

5. ELIGIBLE UNITS

- (i) New units defined as Hotels, Farm Stay, Home Stay, Bed & Breakfast, Multiplexes, MICE, Wellness Resorts, Amusement or Theme Parks, Adventure Park/Water Park shall be eligible for incentives under Punjab Tourism Promotion Policy 2026.
- (ii) **Any existing units undertaking expansion shall not be eligible for incentives.**
- (iii) Minimum threshold of investment for each category is defined as follows:

Category	Eligibility Criteria
Hotel Units	A premises having twenty-five (25) or more rooms and minimum Fixed Capital Investment of INR 10 crore
Multiplex	Having at least 3 cinema screens with digital projection, acoustics, and ancillary services such as food outlet with total minimum seating capacity of 500 seats.

<p align="center">Meetings, Incentives, Conferences, and Exhibitions (MICE)</p>	<ul style="list-style-type: none"> • Convention Hall with seating capacity of minimum 300 people. (size of 500 sq. m) • Exhibition Hall should accommodate at least 40 booths of 3 meters' x 3 meters' size excluding passages in between and around the booths. (size of 500 sq. m). • The Unit should include a restaurant with minimum 50 covers, parking facilities for not less than 50 cars and 5 coaches and residential accommodation for at least twenty-five (25) delegates/ participants.
<p align="center">Wellness Reports</p>	<p>Minimum land area of ten (10) acres and shall involve a minimum Fixed Capital Investment of INR 15 crore.</p>
<p align="center">Amusement or Theme Park/Adventure Park/Water Park</p>	<p>Minimum land area of fifteen (15) acres and a minimum Fixed Capital Investment of INR 20 crore.</p>
<p align="center">Farm Stay</p>	<p>A premises having up to 8 rooms and having minimum Fixed Capital Investment of INR 5 crore</p>
<p align="center">Home Stay, Bed & Breakfast</p>	<p>A premises having up to 8 rooms and having minimum Fixed Capital Investment of INR 5 crore</p>

6. FISCAL INCENTIVES

In addition to the other incentives available under Punjab Industrial & Business Development Policy (IBDP) 2026, the incentive of Capital Subsidy shall be available to an Eligible Unit falling under Punjab Tourism & Hospitality Policy as under:

- (i) **Capital Subsidy Amusement Park or Theme Parks, Hotel, Multiplex, MICE, Wellness Resort, Farm Stay, Home Stay, Bed & Breakfast:** Eligible Units shall receive a capital subsidy of up to 10% of the Fixed Capital Investment (FCI), capped at INR 5 crore from the date of commencement of commercial operations.
- (ii) **Additional Incentives in case of MICE only:**
 - a. **External Development Charges (EDC):** Eligible Unit shall receive a 100% exemption on the EDC, as applicable.
 - b. **Change of Land Use (CLU):** Eligible Unit shall receive a 100% exemption from CLU charges, as applicable.

7. DEFINITION

- (i) **Amusement Park/ Theme Parks/Adventure Park/Water Park:** An Amusement or Theme Park/ Adventure Park/Water Park is a permanent ticketed entry facility having a minimum land area of fifteen (15) acres and a minimum Fixed Capital Investment of INR 20 crore shall be used for the purpose of entertainment and amusement. It shall have facilities including but not limited to restaurants, amusement rides/ water slides, theatre and shopping areas.

- (ii) **Hotel:** Any premises or part of a premise having twenty five (25) or more rooms and minimum Fixed Capital Investment of INR 10 crore, which are commercially let out, and provide lodging, with or without board, or serving any kind of eatables or beverages or other services, by way of business, for a monetary consideration subject to fulfilment of building rules of the concerned department/ authority as the case maybe, as amended from time to time.

A. Premises excluded from the definition of hotel for the purposes of this policy:

- Any premises operated by a charitable, religious organization or an educational institution or a government institution.
 - Any premises operated by a society, a non-proprietary club, institution or other organization and used exclusively by and for the benefit of members of that society, club, institution or other organization.
- (iii) **Multiplex:** Multiplex shall be an entertainment complex with at least three (3) cinema screens with digital projection, acoustics, and ancillary service such as food outlet with total minimum seating capacity of 500 seats.
- (iv) **MICE:** A Meetings, Incentives, Conferences, and Exhibitions (MICE) unit is a standalone or part of a hotel with facilities for a large group to hold Meetings including social and corporate gatherings, Conferences and Exhibitions and includes at least one Convention Hall and/or Exhibition Hall as described below:
- a. **Convention Hall** should have audio-visual conferencing and high-fidelity recording equipment, etc. and skilled manpower to operate and manage the facilities. The seating capacity of the hall should be minimum 300 persons. (size of 500 sq. m)
 - b. **Exhibition Hall** should accommodate at least 40 booths of 3 meters' x 3 meters' size excluding passages in between and around the booths. (size of 500 sq. m).
 - c. The Unit should include a restaurant with minimum 50 covers, parking facility for not less than 50 cars and 5 coaches and residential accommodation for at least twenty-five (25) delegates/ participants.
- (v) **Wellness Resort:** A Wellness Resort refers to an accommodation facility developed on a minimum land area of ten (10) acres, with a minimum Fixed Capital Investment of INR 15 crore. The resort shall be equipped with dedicated therapy rooms providing wellness services, including but not limited to Ayurveda, Yoga and Naturopathy, Unani, Siddha, and Homeopathy, with the objective of achieving, promoting, and sustaining optimal health and overall well-being.
- (vi) **Farm Stay, Home Stay and Bed & Breakfast:** As per respective policies notified by Department of Tourism & Cultural Affairs.

PUNJAB RETAIL INVESTMENT AND MODERNIZATION POLICY 2026

1. DEFINITION

A retail unit for the purpose of this policy shall comprise of **Supermarket/Hypermarket** and **Single Brand Retailer**.

- (i) **Supermarket/Hypermarket** is where many items are sold under a single roof.
- (ii) **Single Brand Retailer** is the one who sells its own branded goods across its own outlets. Single-brand retailer owns whole supply chain and is the manufacturer, packer, importer and wholesaler of all goods.

2. SUPPORT FOR RETAIL UNITS

- (i) External Development Charges paid by the retail enterprise shall be used for development of the area where the enterprise is located.

PUNJAB HOSPITAL AND MEDICAL COLLEGE INVESTMENT POLICY 2026

1. OVERALL INCENTIVE CAPPING

Sector	Overall Incentive Capping
Healthcare (Hospitals including Medical College)	50% of FCI or INR 50 Cr, whichever is lower

2. ELIGIBILITY PERIOD OF INCENTIVES

The eligibility period of incentives shall be as per clause 5.1.2 of Punjab Industrial and Business Development Policy, 2026

3. ANNUAL CEILING OF FISCAL INCENTIVES

The annual ceiling of fiscal incentives shall be as per clause 5.1.3 of Punjab Industrial and Business Development Policy, 2026

4. PROCESS FOR DISBURSEMENT OF INCENTIVES

The process for disbursement of incentives shall be as per clause 5.1.4 of Punjab Industrial and Business Development Policy, 2026

5. ELIGIBILITY

Sector	Eligibility Criteria
Healthcare (Hospitals including Medical College)	50 beds and INR 25 Cr

- (i) Healthcare units seeking fiscal incentives shall be mandatorily empanelled under the **Mukh Mantri Sehat Yojana (MMSY)** for the entire duration of the Policy period.
- (ii) Eligible Healthcare units availing incentives under this policy shall ensure that a minimum of twenty percent (20%) of its total operational capacity shall be made available for providing services to beneficiaries under Mukh Mantri Sehat Yojana (MMSY). The same shall be verified by the Health and Family Welfare Department.
- (iii) Any existing units undertaking expansion shall not be eligible for incentives.

6. INCENTIVES

(i) **Investment Subsidy by way of Reimbursement of Net SGST**

Name of the incentive scheme	Extent of the incentive scheme
Reimbursement of Net SGST	Reimbursement of 75% of Net SGST for the eligibility period as defined under clause 5.1.1 of Industrial & Business Development Policy 2026 from the date of commercial operations.

- (ii) **Capital Subsidy:** Eligible Units shall receive a capital subsidy of up to 20% of Fixed Capital Investment (FCI) or INR 10 crore, whichever is lower disbursed over the eligibility period.
- (iii) **Stamp Duty:** 100% exemption/ reimbursement from stamp duty for purchase or lease of land and/or building.
- (iv) **Electricity Duty:** 100% exemption from electricity duty for the eligibility period.
- (v) **Change of Land Use (CLU):** An Eligible Unit shall receive a 100% exemption from CLU charges, as applicable.
- (vi) **Property Tax:** 100% exemption from property tax for a period of five (5) years, subject to a maximum limit of INR Five (5) crore from the date of commercial operations.
- (vii) **Customised Package:** For Mega Units as per clause 4.2.3, the Government may consider a customized package of fiscal incentives on a case-by-case basis. Such packages shall be subject to approval by the Council of Ministers, based on the recommendations of the Committee for Approval of Customized Package (CACP), in accordance with the relevant clauses of DSOG 2026.

7. DEFINITIONS

Healthcare Unit: Healthcare unit for the purpose of fiscal incentives shall mean Hospitals with or without Medical College/Medical Research Institute with a minimum investment of INR 25 crore in Fixed Capital Investment and having minimum 50 beds.

8. FIXED CAPITAL INVESTMENT (FCI)**8.1 In case of Healthcare Unit:**

- (i) **Land:** As per Detailed Scheme of operational Guidelines (DSOG) of Industrial and Business Development Policy 2026.
- (ii) **Building:** As per Detailed Scheme of operational Guidelines (DSOG) of Industrial and Business Development Policy 2026.

a. Note: In case of Healthcare Unit on Leased or Rented Premises, the lease amount shall not be considered as part of FCI.

- (iii) **Plant and Equipment:** As per Detailed Scheme of operational Guidelines (DSOG) of Industrial and Business Development Policy 2026 and shall also include:
- a. Cost of new plant and machinery including fixtures, medical equipment, furniture, plant & machinery, IT infrastructure. This shall also include peripherals and accessories required for setting up and operating the unit.
 - b. Infrastructure Utilities includes waste treatment facilities, generators, etc., and other support facilities installed for use in the premises.

PUNJAB HIGHER EDUCATION INVESTMENT POLICY 2026

1. OVERALL INCENTIVE CAPPING

Sector	Overall Incentive Capping
Higher Education	100% of Fixed Capital Investment, subject to overall cap of INR 50 crore

2. ELIGIBILITY PERIOD OF INCENTIVES

The eligibility period of incentives shall be 5 years.

3. ANNUAL CEILING OF FISCAL INCENTIVES

The annual ceiling of fiscal incentives shall be equally divided among 5 years.

4. PROCESS FOR DISBURSEMENT OF INCENTIVES

The process for disbursement of incentives shall be as per clause 5.1.4 of Punjab Industrial and Business Development Policy, 2026.

5. ELIGIBLE UNITS

- (i) Private Universities approved by The University Grants Commission (UGC) Act 1956 / All India Council for Technical Education (AICTE) / other Government recognised accreditations (as applicable) shall be eligible for incentives under the policy.
- (ii) For being eligible for incentives under this policy the educational institution must remain in operations during the policy period.
- (iii) Benefits shall be applicable to all newly established Universities within the State of Punjab.
- (iv) **Any existing units undertaking expansion shall not be eligible for incentives.**

6. FISCAL INCENTIVES

Eligible Units shall be eligible for:

- (i) **Stamp Duty:** 100% exemption/ reimbursement from stamp duty for purchase or lease of land and/or building.
- (ii) **Electricity Duty:** 100% exemption on electricity duty for a period of 5 years
- (iii) **Change of Land Use (CLU):** Educational Institution shall receive a 100% exemption from CLU charges, as applicable.

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- (iv) **External Development Charges (EDC):** External Development Charges paid by the institution shall be used for development of the area where the institution is established.

7. DEFINITIONS

Educational Institution: Private Universities approved by The University Grants Commission (UGC) Act 1956 / All India Council for Technical Education (AICTE) / other Government recognised accreditations (as applicable).

PUNJAB RENEWABLE ENERGY POLICY 2026

1. ELIGIBILITY

- (i) The minimum capacity of a defined RE Project shall be 500KW.

2. SUPPORT FOR RENEWABLE ENERGY (RE) PROJECTS

- (i) All approval to RE projects shall be provided by concerned authority/department in a time-bound manner.
- (ii) State government shall prioritize and give preference to establishment of RE Project within the State.
- (iii) PSPCL shall notify a guideline for facilitating the land available for RE Projects.

3. DEFINITIONS

- (i) **Renewable Energy Projects “RE Projects”** means a project generating electrical energy from Renewable energy sources as defined by Ministry of New and Renewable Energy (MNRE), Government of India, including, but not limited to Solar PV Power Project or Wind Power Project or Hybrid Power Projects or Small Hydro Power project or biomass, bio-fuel, urban or municipal waste and other such sources as approved by MNRE thereof, with or without Energy Storage System (ESS).

PUNJAB START-UP POLICY 2026

1. ELIGIBILITY PERIOD OF INCENTIVES

The eligibility period of incentives shall be 3 years.

2. ELIGIBILITY

- (i) Start-up located or physically incubated in the State of Punjab or having operations in the State.
- (ii) To obtain benefits under this policy, a start-up shall be required to be registered with the Start-up Punjab Cell
- (iii) Financial assistance under this policy shall be issued after the approval by the State Level Committee (SLC) to the eligible Start-ups
- (iv) **Startups Migrating from Outside Punjab:** DPIIT- recognized start-ups, starts its operations in Punjab and registering with Start-up Punjab shall be eligible to directly avail the second tranche of incentives, subject to approval by the State Level Committee (SLC) after the notification of Punjab Start-up Policy 2026.
- (v) Start-up migrating /relocating from other States shall have the option of applying for either initial seed grant or second tranche. In case, it applies for initial seed grant, it shall not be eligible to apply for Second Tranche before a period of 18 months.
- (vi) Fiscal assistance to eligible startup shall be provided as per procedure prescribed under the Detailed Scheme of Operations Guidelines (DSOG).

3. INCENTIVES

- (i) **Seed Grant:** A seed grant of INR 5 lakh per start-up shall be provided to eligible Start-ups.
 - a. **Second Tranche of Seed Grant:** An additional second tranche of funding subject to INR 10 Lakhs per startup shall be extended to maximum twenty (20) startups per year selected by Startupcell based on performance evaluation and predefined criteria (to be notified separately) on first-come first-serve basis. The unit shall be eligible for second tranche after a period of 18 months from the sanction of first seed grant, subject to the approval of the State Level Committee (SLC). The procedure for the same shall be notified separately.
 - b. The sanctioned amount shall be disbursed directly to the beneficiary startup through the Direct Benefit Transfer (DBT) mechanism, subject to submission of First Tranche Utilization Certificate, as per applicable government financial guidelines.

- (ii) **Lease rental Subsidy:** Reimbursement of 25% of lease rental subsidy to eligible Startup units established in the State, operating from Incubators/IT Parks/Industrial Clusters or any other notified Industrial Park shall be eligible for a period of 3 year subject to the ceiling of INR 5 lakh per annum.
- (iii) **Interest Subsidy on Bank Loan:** Eligible Startups shall be provided interest subsidy of up to 8% per annum or the actual interest charged, whichever is lower subject to the maximum limit of INR 7 lakh per annum for a period of 3 years on reimbursement basis on the loan taken from scheduled banks/financial institutions.
- (iv) **Purchase Preference in Public Procurement:** Eligible Startups shall be provided purchase preference in Government procurement processes for orders of up to INR 10 lakh per order, for maximum 3 orders per start-up. Government shall issue a separate notification regarding the guidelines on Purchase Preference in public procurement.
- (v) **Startup Competition Assistance:** To encourage entrepreneurship culture in colleges, Eligible Institutes of National Importance, Central Universities, State Universities, Private Universities & Colleges based in the State, established Incubators in these institution's premises shall be supported by state government to organize such startup competition fest annually in which state shall provide assistance up to the limit of INR 5 lakh per event.

4. DEFINITIONS

1. **Startup** for the purpose of this policy shall be defined as per the definition of DPIIT, Government of India as amended from time to time and meets the following criteria:
 - (i) 'Startup' means an entity which is incorporated or registered in India as a private limited company (as defined in the Companies Act, 2013) or registered as a partnership firm (registered under section 59 of the Partnership Act, 1932) or a limited liability partnership (under the Limited Liability Partnership Act, 2008) or a Multi-State Cooperative Society registered with the Central Registrar of Cooperative Societies (under the Multi-State Cooperative Societies Act, 2002) or a Cooperative Society registered under any State or Union Territory Cooperative Societies Act with the respective Registrar of Cooperative Societies in India;
 - (ii) is within a period of ten years from the date of its incorporation or registration;
 - (iii) has a turnover for any of the financial years since incorporation or registration not exceeding two hundred crore rupees; and
 - (iv) is working towards innovation, development or improvement of products or processes or services, or is a scalable business model with a high potential of employment generation or wealth creation.
 - (v) Startup located or physically incubated in the State of Punjab or having operations in the State.

Provided that, in the case of an entity recognised as a 'Deep Tech Startup' under this notification:

- a) the period specified in clause (ii) shall be up to twenty years from the date of its incorporation or registration; and
- b) the turnover limit specified in clause (iii) shall be three hundred crore rupees for any of the financial years since incorporation or registration.

Provided further that, an entity formed by splitting up or reconstruction of an existing business shall not be considered a Startup.

2. **A 'Deep Tech Startup'** means a 'Startup' that has the following attributes, in addition to the criteria detailed in para (1)(i):
 - (i) It is working on producing a solution based on new knowledge/advancements within a scientific or engineering discipline or multiple disciplines, which is yet to be developed or is in the process of being developed.
 - (ii) It has a high percentage of expenditure on research and development (R&D) activities as a percentage of revenue/funding;
 - (iii) It owns or is in the process of creating significant novel intellectual property (IP) and taking steps to commercialize the same; and
 - (iv) It is facing extended development timelines, long gestation periods, high capital and infrastructure requirements, and carrying large technical or scientific uncertainty.

Provided that, for the purposes of this notification, a 'Deep Tech Startup' shall be deemed to be a 'Startup', and references to a 'Startup' shall include a 'Deep Tech Startup', unless otherwise stated.

Provided further that, the determination of whether an entity satisfies the attributes of a 'Deep Tech Startup' shall be made in accordance with such framework, parameters, and guidelines as may be issued by the Department, and based on the documents and information furnished by the applicant in the manner specified by the Department.

3. **Nodal Agency** shall mean Startup Punjab for developing Start up eco-system in the State to further build a strong eco-system for nurturing innovation and Startup.
4. **Seed Funding:** Seed funding is the initial funding used to start a business or develop a new product. It helps take an idea to an early stage where it can be presented to investors for further funding.
5. **Start-up Coordination Committee:** Startup Coordination Committee (SCC) means the Committee under the chairpersonship of Administrative Secretary, Department of Industries and Commerce, Punjab. The Startup Coordination Committee shall authorize Startup Punjab Cell to issue necessary Registration Certificate to the Startup units based on evaluation by Nodal Agencies for various fiscal incentives under the Policy.
6. **Startup Punjab Cell:** A cell under department of industries and commerce headed by director industries and commerce shall provide necessary secretarial and technical support to the startup coordination committee. Director Industries & Commerce shall also act as start-up nodal officer. The cell shall also act as a single point of contact with government departments where the startup needs to implement their projects. The role of this cell would be to highlight, amalgamate and disseminate the resources, funding mechanisms, investments, incentives available at a single portal for startups in Punjab or startups looking to relocate to Punjab.
7. **Incubator:** An incubator is an organisation in a technology/management school or an independent setup that helps early-stage startups launch their business and grow by providing

services such as workspace, management training, captive mentor pool, access to technological services etc.

8. **Accelerators:** An accelerator is an organisation, either an independent organisation or a corporate program that supports early-stage companies through intense immersive education, mentorship, and financing. Startups enter accelerators for fixed time periods and graduate as established, robust companies which are ready to scale. Its objective is to accelerate the growth of the portfolio batch startups in a short period of time.
9. **Mentors:** Mentors (experienced individuals typically from the same industry) guide the less experienced startups with best practices, management tools, industry connections, etc.
10. **Public Welfare Startup:** Startups generating employment opportunities and leveraging technology to build smart and economically viable solutions, to accelerate societal development shall be considered as Public Welfare Startups.
11. **Rural Impact Startups:** These are start-ups solving problems affecting the people of the rural areas of the state, for instance, financing for villagers to promote rural economy, Agri based solutions to improve productivity etc. The services offered by these start-ups shall support & improve the livelihood of rural population. It will also include startups located in rural areas.
12. **Women Led Startups:** A women-led startup is a startup registered either with DPIIT (or) Startup Punjab. At the time of registration, the startup should be owned and controlled by a woman or a group of women having a minimum financial interest of 51% of capital in the startup. Subsequently, even after funding rounds, at least 33% of the startup should be owned by a woman or a group of women.
13. **Circular Economy Startups:** Startups engaged in transforming waste into resources through innovative technologies, focusing on recycling, upcycling, and sustainable use of materials.

PUNJAB IT/ITES, DATA CENTRE, AND GCC POLICY 2026

1. CLASSIFICATION OF UNIT

- (i) **MSME:** As defined in clause 4.2.1 of the Industrial & Business Development Policy 2026
- (ii) **Large Units:** As defined in clause 4.2.2 of the Industrial & Business Development Policy 2026
- (iii) **Mega Units:** As defined in clause 4.2.3 of the Industrial & Business Development Policy 2026

2. OVERALL INCENTIVE CAPPING

Industry	Overall Incentive Capping
IT/ITeS	125% of FCI or INR 500 Cr, whichever is lower
Data Centres	80% of FCI or INR 500 Cr, whichever is lower
GCC	125% of FCI or INR 500 Cr, whichever is lower

3. ELIGIBILITY PERIOD OF INCENTIVES

The eligibility period of incentives shall be as per clause 5.1.2 of Punjab Industrial and Business Development Policy, 2026

4. ANNUAL CEILING OF FISCAL INCENTIVES

The annual ceiling of fiscal incentives shall be as per clause 5.1.3 of Punjab Industrial and Business Development Policy, 2026

5. PROCESS FOR DISBURSEMENT OF INCENTIVES

The process for disbursement of incentives shall be as per clause 5.1.4 of Punjab Industrial and Business Development Policy, 2026

6. ELIGIBILITY

6.1 Eligibility for IT/ITeS Units

6.1.1 Eligibility for IT/ITeS Units Developing their Own Premises:

- (i) The unit undertaking construction of building(s) and commencing operations in the IT/ITeS sector;
- (ii) with a minimum built-up area of ten thousand (10,000) square feet; and
- (iii) creating at least hundred (100) direct employment positions on IT solutions.
- (iv) In case of expansion, the IT/ITeS unit developing own premises shall qualify for an additional increase of at least twenty-five percent (25%) in FCI and an increase of twenty-five percent (25%) increase in number of direct employees on IT solutions.

6.1.2 Eligibility for IT/ITeS Units operating on Lease or Rented Premises model to avail incentives:

- (i) The IT/ITeS Unit shall generate at least one hundred (100) direct employment positions on IT solutions.
- (ii) In case of expansion, the IT/ITeS units operating on Lease or Rented Premises shall qualify for an additional increase of at least twenty five percent (25%) in FCI and an additional increase of twenty-five percent (25%) increase in number of direct employees on IT solutions.
 - a. *IT/ITeS units that have taken bare shell or plug-and-play spaces leased by the Nodal Agency on concessional monthly rentals shall not be eligible to claim rental assistance under this model.

6.2 Eligibility for Data Centres

- (i) A Data Centre unit established in the State of Punjab and is operating out of a dedicated secure space in a dedicated building or within a building or a centralized location where computing and networking equipment is concentrated for the purpose of collecting, storing, processing, distributing or allowing access to large amount of data shall be eligible under the policy for incentives.
- (ii) Captive Data Centres for in-house use by the parent organizations shall not be eligible under this policy.

6.3 Eligibility for GCC Units**6.3.1 Eligibility for GCC units developing own premises**

- (i) The unit undertakes construction of building(s) on private land or on land leased from the Government, its agencies, or development authorities, and commences operations in the GCC sector.
- (ii) The unit develops a minimum built-up space of ten thousand (10,000) square feet; and
- (iii) The unit creates at least hundred (100) direct employment positions.
- (iv) In case of expansion, the GCCs developing own premises shall qualify for an additional increase of at least twenty five percent (25%) in FCI and an increase of twenty five percent (25%) increase in number of direct employees.

6.3.2 Eligibility for GCC units operating on leased/rented premises

- (i) The unit employing a minimum of hundred (100) direct employment positions.
- (ii) In case of expansion, the GCC units operating on rental/leased premises shall qualify for an additional increase of at least twenty five percent (25%) in FCI and an additional increase of twenty five percent (25%) increase in number of direct employees.
**GCC units that have taken bare shell or plug-and-play spaces leased by the Nodal Agency on concessional monthly rentals shall not be eligible to claim Rental Assistance under this model.*

7. FISCAL INCENTIVES

1.1 IT/ITES UNITS:

7.1.1 Fiscal Incentives for IT/ITeS Units developing their own premises

(i) Investment Subsidy by way of reimbursement of Net SGST

Name of the incentive scheme	Extent of the incentive scheme
Reimbursement of Net SGST	Reimbursement of 75% of Net SGST for the eligibility period as defined under clause 5.2.4 of Industrial & Business Development Policy 2026 from the date of commercial operations

For Eligible Existing Units Undertaking Expansion

In case of existing IT/ITeS units undertaking expansion, the Investment Subsidy shall be calculated on the basis of incremental increase of net sales of eligible service(s), over:

- the average net sales in the preceding three (3) years, or
- the average net sales in the preceding twelve (12) months

from the date of commercial production of expansion for the eligible product or activity, whichever is higher, as certified by the concerned Assistant Commissioner of State Tax (ACST).

- (ii) **Capital Subsidy:** Eligible Units shall receive a capital subsidy of up to 20% of their Fixed Capital Investment (FCI), subject to a maximum limit of INR 10 crore, disbursed over the eligibility period.
- (iii) **Electricity Duty:** 100% exemption on electricity duty for the eligibility period.
- (iv) **Stamp Duty:** 100% exemption/ reimbursement from stamp duty for purchase or lease of land and/or building.
- (v) **Power Tariff:** Industrial power tariff shall be applicable to eligible units instead of commercial power tariff.
- (vi) **Employment Generation Subsidy (EGS):** EGS shall be provided at INR 5,000 per employee per month for a period of 5 years from the date of commercial operations subject to filling the perquisite conditions.
- (vii) **Customised Package** For Mega Units as per clause 4.2.3, the Government may consider a customized package of fiscal incentives on a case-by-case basis. Such packages shall be subject to approval by the Council of Ministers, based on the recommendations of the Committee for Approval of Customized Package (CACP), in accordance with the relevant clauses of DSOG 2026.

7.1.2 Fiscal Incentives for IT/ITeS Units operating on Leased or Rented Premises or Plug-and-Play Model (Shared Premises)

(i) Investment Subsidy by way of reimbursement of Net SGST

Name of the incentive scheme	Extent of the incentive scheme
Reimbursement of Net SGST	Reimbursement of 75% of Net SGST for the eligibility period as defined under clause 5.2.4 of Industrial & Business Development Policy 2026 from the date of commercial operations

For Eligible Existing Units Undertaking Expansion

In case of existing IT/ITeS units undertaking expansion, the Investment Subsidy shall be calculated on the basis of incremental increase of net sales of eligible service(s), over:

- the average net sales in the preceding three (3) years, or
- the average net sales in the preceding twelve (12) months

from the date of commercial production of expansion for the eligible product or activity, whichever is higher, as certified by the concerned Assistant Commissioner of State Tax (ACST).

- (ii) **Rental Subsidy:** Units shall be eligible for a reimbursement of INR Seven (7) per sq. ft., for minimum 100 seats, for a period of five (5) years.
- (i) **Electricity Duty:** 100% exemption on electricity duty for the eligibility period.
- (ii) **Power Tariff:** Industrial power tariff shall be applicable to eligible units instead of commercial power tariff.
- (iii) **Employment Generation Subsidy (EGS):** EGS shall be provided at INR 5,000 per employee per month for a period of 5 years from the date of commercial operations subject to filling the requisite conditions.
- (iv) **Customised Package:** For Mega Units as per clause 4.2.3, the Government may consider a customized package of fiscal incentives on a case-by-case basis. Such packages shall be subject to approval by the Council of Ministers, based on the recommendations of the Committee for Approval of Customized Package (CACP), in accordance with the relevant clauses of DSOG 2026.

1.2 DATA CENTRE UNITS:

- (i) **Capital Subsidy:** Units shall be eligible for a Capital Subsidy equivalent to 20% of their Fixed Capital Investment (FCI), subject to a maximum limit of INR 10 crore, disbursed over the eligibility period.
- (ii) **Electricity Duty:** 100% exemption on electricity duty for the eligibility period.

- (iii) **Stamp Duty:** 100% exemption/ reimbursement from stamp duty for purchase or lease of land and/or building.
- (iv) **Power Tariff:** Industrial power tariff shall be applicable to eligible units instead of commercial power tariff.
- (v) **Dual Power Grid Availability:** Dual Grid lines power supply shall be made available on demand at applicable Charges.
- (vi) **Special Incentives:** The first three (3) Data Centre Units established and duly approved under this Policy shall be eligible for Special Incentives. Such units may consider a customized package of fiscal incentives on a case-by-case basis. Such packages shall be subject to approval by the Council of Ministers, based on the recommendations of the Committee for Approval of Customized Package (CACP), in accordance with the relevant clauses of DSOG 2026.

1.3 GLOBAL CAPABILITY CENTRES (GCCs):

7.3.1 Fiscal Incentives for GCCs developing their own premises

(i) **Investment Subsidy by way of reimbursement of Net SGST**

Name of the incentive scheme	Extent of the incentive scheme
Reimbursement of Net SGST	Reimbursement of 75% of Net SGST for the eligibility period as defined under clause 5.2.4 of Industrial & Business Development Policy 2026 from the date of commercial operations

For Eligible Existing Units Undertaking Expansion

In case of existing GCC units undertaking expansion, the Investment Subsidy shall be calculated on the basis of incremental increase of net sales of eligible service(s), over:

- the average net sales in the preceding three (3) years, or
- the average net sales in the preceding twelve (12) months

from the date of commercial production of expansion for the eligible product or activity, whichever is higher, as certified by the concerned Assistant Commissioner of State Tax (ACST).

- (ii) **Capital Subsidy:** Eligible Units shall receive a capital subsidy of up to 20% of their Fixed Capital Investment (FCI), subject to a maximum limit of INR 10 crore, disbursed over the eligibility period.
- (iii) **Electricity Duty:** 100% exemption on electricity duty for the eligibility period.
- (iv) **Power Tariff:** Industrial power tariff shall be applicable to eligible units instead of commercial power tariff.
- (v) **Stamp Duty:** 100% exemption/ reimbursement from stamp duty for purchase or lease of land and/or building.
- (vi) **Employment Generation Subsidy (for first 10 units):** EGS shall be provided at INR 7,500 per employee per month for a period of 5 years from the date of commercial operations subject to filling the prerequisite conditions.
- (vii) **Special Incentives:** The first three (3) Mega GCC Units, employing more than 1,000 people, established and duly approved under this Policy shall be eligible for Special Incentives. Such units may consider a customized package of fiscal incentives on a case-by-case basis. Such packages shall be subject to approval by the Council of Ministers, based on the recommendations of the Committee for Approval of Customized Package (CACP), in accordance with the relevant clauses of DSOG 2026.

7.3.2 Fiscal Incentives for GCCs operating on Leased or Rented Premises

(i) **Investment Subsidy by way of reimbursement of Net SGST**

Name of the incentive scheme	Extent of the incentive scheme
Reimbursement of Net SGST	Reimbursement of 75% of Net SGST for the eligibility period as defined under clause 5.2.4 of Industrial & Business Development Policy 2026 from the date of commercial operations

For Eligible Existing Units Undertaking Expansion

In case of existing IT/ITeS/GCC units undertaking expansion, the Investment Subsidy shall be calculated on the basis of incremental increase of net sales of eligible service(s), over:

- the average net sales in the preceding three (3) years, or
- the average net sales in the preceding twelve (12) months

from the date of commercial production of expansion for the eligible product or activity, whichever is higher, as certified by the concerned Assistant Commissioner of State Tax (ACST).

- (ii) **Rental Subsidy:** Units shall be eligible for a reimbursement of INR Ten (10) per sq. ft., for minimum 100 seats, for a period of five (5) years.
- (iii) **Electricity Duty:** 100% exemption on electricity duty for the eligibility period.
- (iv) **Power Tariff:** Industrial power tariff shall be applicable to eligible units instead of commercial power tariff.
- (v) **Employment Generation Subsidy (for first 10 units):** EGS shall be provided at INR 7,500 per employee per month for a period of 5 years from the date of commercial operations subject to filling the requisite conditions.
- (vi) **Special Incentives:** The first three (3) Mega GCC Units, employing more than 1,000 people, established and duly approved under this Policy shall be eligible for Special Incentives. Such units may consider a customized package of fiscal incentives on a case-by-case basis. Such packages shall be subject to approval by the Council of Ministers, based on the recommendations of the Committee for Approval of Customized Package (CACP), in accordance with the relevant clauses of DSOG 2026.

1.4 INCENTIVES TO IT PARKS:

Industrial Parks set up by Private Developers exclusively for IT Industry with minimum area of 10 Acre, minimum 50% area shall be allowed to be utilized for the IT Industry component and not more than 50% of the area shall be allowed to be used for residential and commercial component. Provided further that not more than 10% area shall be allowed for commercial component.

Considering the need and peculiarity of IT sector, the Department of Housing and Urban Development Punjab shall issue a separate notification in this regard.

8. DEFINITIONS

- (i) **Data Centre Unit:** A Data Centre unit is a dedicated secure space in a dedicated building or within a building or a centralized location where computing and networking equipment is concentrated for the purpose of collecting, storing, processing, distributing or allowing access to large amount of data.
- (ii) **Global Capability Centre (GCC)** unit shall mean a Global In-house Centre or an offshore Unit established in the State of Punjab by any Multinational Corporation (MNC) or Indian Multinational Corporation, which is wholly owned and operated by the parent company. Such GCC unit shall provide specialized services for the parent company in information technology, R&D, finance, HR and other back-office operations.
- (iii) **IT/ITeS Unit:** IT includes development, production and services pertaining to software and applications ITES are construed as any service, which results from the use of any IT software over a system of IT products for realising the value addition service rendering through the application of IT and may include the following:

- i. Back-office operation/Business Process Outsourcing (BPO)
- ii. Knowledge Process Outsourcing (KPO)
- iii. Business Process Management (BPM)
- iv. Web Aggregators
- v. Extended Reality AVGC-XR (Animation, Visual Effects, Gaming, Comics, and Extended Reality)
- vi. Artificial Intelligence
- vii. Internet and E-mail Service Providers
- viii. Medical Transcriptions
- ix. IT Support Centres
- x. Website Services
- xi. Cyber Security
- xii. Emerging Technologies such as Artificial Intelligence, Block chain, Machine Learning

9. FIXED CAPITAL INVESTMENTS (FCI)

FCI shall include cost of land, building, plant, machinery, and equipment as per the approved project cost. The eligible costs and the manner of assessment have been described below.

9.1 For IT/ITeS / GCC Units:

- (i) **Land:**As per Detailed Scheme of operational Guidelines (DSOG) of Industrial and Business Development Policy 2026.
- (ii) **Building:** As per Detailed Scheme of operational Guidelines (DSOG) of Industrial and Business Development Policy 2026.
 - a. **Note:** In case of IT/ITeS Unit/ GCC Unit on Leased or Rented Premises, the lease amount shall not be considered as part of FCI.
- (iii) **Plant & Machinery, In case of IT/ITeS Units Developing Own Space**
 - a. Servers
 - b. Computers
 - c. Laptops
 - d. Electrical installations
 - e. Networking, communication, and storage hardware
 - f. Office equipment (including but not limited to CCTVs, biometric hardware, printers, shredders)
 - g. Furniture & fittings
 - h. HVAC

9.2 For Data Centre Units:

-
- (i) **Land:** As per Detailed Scheme of operational Guidelines (DSOG) of Industrial and Business Development Policy 2026.
 - (ii) **Building:** As per Detailed Scheme of operational Guidelines (DSOG) of Industrial and Business Development Policy 2026

Note: In case of Data Centre Unit on Leased or Rented Premises, the lease amount shall not be considered as part of FCI.

- (iii) **Plant & Machinery** including R&D equipment and such other productive assets like tools, jigs & fixtures, dyes, utilities like boilers, compressors, DG Sets, cranes, material handling equipment and such other equipment directly related to production purposes.

PUNJAB FILM PROMOTION POLICY 2026

1. OVERALL INCENTIVE LIMIT

Category	Overall Incentive Limit
Film Production/ Web Series/ Documentaries	25% of Cost of Production (COP) or INR 3.5 Cr, whichever is lower
Film City/ Film Studio / VFX Studio/ Training institute	20% of FCI or INR 10 crore, whichever is lower.

1. ELIGIBILITY PERIOD OF INCENTIVES

The eligibility period of incentives shall be 5 years.

2. ANNUAL CEILING OF FISCAL INCENTIVES

The annual ceiling of fiscal incentives shall be equally divided among 5 years.

3. PROCESS FOR DISBURSEMENT OF INCENTIVES

The process for disbursement of incentives shall be as per clause 5.1.4 of Punjab Industrial and Business Development Policy, 2026.

4. GENERAL DEFINITIONS

- (i) **Producer/Production House** means any individual or legal entity established under applicable laws and engaged in film production.
- (ii) **Eligible Production** means Feature Film intended for Theatrical release in cinemas, Web Series / OTT Projects.
- (iii) **Cost of Production (COP)** means the expenses incurred by the Producer/ Production House in the State of Punjab for the development of a Film/Web Series/Documentary.
- (iv) **Shooting Days** means the total number of effective days of outdoor shooting undertaken in the territorial jurisdiction of the State for making the film/web series/documentary.
- (v) **Ineligible Projects:** A Producer/ Production House that has applied for/received monetary assistance under film policy of any other State in any year for the same production shall not be eligible to avail incentives under this policy.

5. GENERAL CONDITIONS

- (i) **Credit to Government of Punjab:** All applicant under this policy must provide prominent credit to Government of Punjab, Department of Industries & Commerce, Government of Punjab in opening credits and during promotion activities of the film/ web series as per **Form FC**.

- (ii) All applications for film / web series / documentary shooting shall be made on Invest Punjab, Business First Portal. The steps and process for filing online application form and the documents to be submitted as prescribed by the Government.
- (iii) The applicant /producer shall submit an incentive application in **Form OAF** along with the necessary documents essential to verify claims made to avail the incentives.
- (iv) It must be mandatory by the Applicant/ Producer to submit a certificate as per **Form NSD** duly signed by the concerned District Magistrate as a proof of 'No of Shooting Days'.
- (v) Any film, web series, or documentary project approved under this policy and availing incentives shall not modify the name of the location depicted in scenes shot in Punjab, either in the script or in final post-production output. Such projects shall retain and display the Punjab location in its original name.
- (vi) For any international filmmaker and production companies, it would be responsibility of the applicant to get all requisite clearances from the Ministry of External Affairs (MEA)/ and Ministry of Information and Broadcasting (MIB) of Government of India, etc.
- (vii) Once approval is given to the applicant / producer, film screen time for shooting held in Punjab cannot be removed for any reason, whatsoever, the case maybe.
- (viii) The components of the cost of production shall be amended by the Government from time to time.

6. ELIGIBILITY

4.1 Eligibility for Films/Documentary:

- (i) A film shall be eligible provided that the film has completed a minimum 50 outdoor shooting days, within the territorial jurisdiction of the State of Punjab by a Producer/Production House.
- (ii) Must be certified by Central Board of Film Certification (CBFC) and minimum 75 minutes of length.
- (iii) Must provide Cinema Hall Release Certificate.
- (iv) A film directly released on Over-The-Top (OTT) platforms shall include Netflix, Amazon Prime, Disney Hotstar, Zee5, Sony Liv, Voot, MX Player, Chaupal, and ALT Balaji, or as notified by the Government from time to time, shall be eligible for incentives under this policy.
- (v) For Documentary, it must be released in theatres or on any of the OTT/ Web Platform.
- (vi) **Film /Documentary shall not be in the following form: -**
 - a. Dubbed version of a Films/Documentaries etc.

- b. Films/Documentaries that are derogatory to Punjab / culture/ people/ places, armed forces, etc. or poses any threat to national integrity, sovereignty, and religious harmony and promotes nudity or obscenity explicitly.
- c. Any content that is unlawful, obscene, glorifies violence or projects religious sentiments in an inappropriate way.
- d. Ad films and TV commercials.

4.2 Eligibility for Films/Documentary:

- (i) A Web Series shall only be eligible if at least 50% of the web Series length has been shot within the territorial jurisdiction of the State or has been shot for a minimum of 90 days within the territorial jurisdiction of the State by a Producer/Production House.
- (ii) In case of web series, Over-The-Top (OTT) platforms shall include Netflix, Amazon Prime, Disney Hotstar, Zee5, Sony Liv, Voot, MX Player, Chaupal and ALT Balaji, or any other platform as amended by the Government from time to time.
- (iii) Digital Content Shall not be in the following form:-**
 - a. Dubbed version of a Web Series etc.
 - b. Web-Series that are derogatory to Punjab / culture/ people/ places, armed forces, etc. or poses any threat to national integrity, sovereignty, and religious harmony and promotes nudity or obscenity explicitly.
 - c. Ad films and TV commercials.
- (i) Telecast schedule from the OTT/Web platform must be submitted. As there are no certification criteria from OTT/ Web platform.
- (ii) An OTT/Web series shall be eligible only once across all seasons.
- (iii) For OTT release, the project must be released on any of the following OTT Platform such as Netflix, Amazon Prime, Disney Hotstar, Zee5, Sony Liv, Voot, MX Player, Chaupal and ALT Balaji or any other platform as amended by the Government from time to time.

4.3 Eligibility for Film Infrastructure:

- (i) A Film City/ Studio / VFX Studio/ Training Institute shall qualify for fiscal incentives under this policy subject to a minimum investment in Fixed Capital Investment of INR 50 crore.
- (ii) Any existing project undertaking expansion shall not be eligible for incentives.

7. FISCAL INCENTIVES

- (i) **Capital Subsidy for Film/ Documentary Film:** To promote film production within the State, the Government of Punjab shall provide an incentive of 25% of the cost of production within the State, subject to a maximum ceiling of INR 3 crore per film.

- (ii) In the case of films produced in the regional language (Punjabi), an incentive of 30% of the cost of production shall be provided, subject to a maximum ceiling of INR 3.5 crore per film.
- (iii) **Capital Subsidy for Web Series:** To promote shooting of Web Series within the State, the Government of Punjab shall provide an incentive of 25% of the eligible production cost incurred in the State, subject to a maximum ceiling of INR 3 crore per Web Series.
- (iv) **Capital Subsidy for Film City/ Studio, VFX Studio and Training Institute:** To promote the development of infrastructure related to film shooting within the State, the Government of Punjab shall extend an incentive of up to 20% of the Fixed Capital Investment or INR 10 crore, disbursed over the eligibility period.

Note: the disbursement procedure of the same shall be notified separately in consultation with the relevant department.

8. DEFINITION

- (i) **'Film'** means cinematograph film as defined in Indian Cinematography Act 1952.
- (ii) **'Documentary Film'** means a film with a published screen time not less than 30 minutes promoting Punjab, its culture, heritage, tourist destinations etc.
- (iii) Web Series' means broadcast of a series of episodes through OTT platform.
- (iv) **'Film City'** means an integrated facility having facilities, Services, Infrastructure, and Equipment required for film making. The minimum land area should be at least 25 acres and the Minimum Investment of INR 50 cr. Out of the Minimum Investment of INR 50 cr. the entity shall have to invest at-least 60 percent in the development of film production related infrastructure/facilities as listed below. The Film City must have minimum any five from the facilities listed below:
 - a. Permanent Sets for Film Shooting purposes,
 - b. Recording Studios,
 - c. Post-Production Processing Facilities,
 - d. VFX & Animation Facilities,
 - e. Film Exhibition Facility,
 - f. Film Training Institutes,
 - g. Open Landscaped Area for Outdoor Shooting, theme park; and
 - h. other facilities as may be required for the film making purposes with prior approval of the appropriate Committee.
- (v) **'Film Studio'** means a facility having facilities, services infrastructure and equipment required for film and series production including the area for shooting activities.
- (vi) **'VFX Studio'** means production facility specialized in creating, manipulating, and enhancing imagery outside of live-action shooting, typically using computer-generated imagery (CGI), compositing, and digital tools.
- (vii) **'Training Institutes'** means facilities offering courses in Film acting, Film production, music, choreography, or postproduction courses on sound recording/ dubbing/ mixing labs/ animation and VFX and Film Set etc. or any other audio/video production related vocational courses.

9. FIXED CAPITAL INVESTMENT (FCI)

7.1 For Film Studio / VFX

- (i) **Land:** As per Detailed Scheme of operational Guidelines (DSOG) of Industrial and Business Development Policy 2026.
- (ii) **Building:** As per Detailed Scheme of operational Guidelines (DSOG) of Industrial and Business Development Policy 2026.
- (iii) **Plant and Equipment:** As per Detailed Scheme of operational Guidelines (DSOG) of Industrial and Business Development Policy 2026 and shall also include cost of new plant and machinery including equipment, monitors, workstations, servers, cameras, audio and storage devices/systems, and allied accessories for setting up and operating the Film Studio/ VFX Studio.

10. COST OF PRODUCTION

Film Shooting/Web Series & Original show shown on OTT platforms/documentary including the total project cost out of the total expenditure mentioned by the applicant in the application submitted for grant, the following expenditure shall be considered for subsidy:

A. Eligible Cost of Production (Inclusions)

1. Production cost (specific to the State of Punjab)
2. Rental of Capital Goods (for Production)
3. Extras (non-speaking on cameras)
4. Set Decoration
5. Camera
6. Set Lighting
7. Special Effect
8. Costumes
9. Transportation
10. Art Department
11. Set Construction
12. Set Operations
13. Sound
14. Makeup and Hair
15. Stunt performer /artist fees (only for Punjab Resident)
16. Locations
17. Editorial
18. Equipment Rental
19. Location Rental

20. General Business Overheads (office rental and utilities utilized only for the purpose of the production and procured from Punjab based supplies)
21. Domestic Travel (only if booked by a Punjab based agency)
22. Accommodation (at Punjab based Hotels)

B. Cost of Production (Exclusions)

1. Fees paid to all cast members
2. Producer fees
3. Director fees
4. Fees paid to above line personnel (including, but not limited to, executive producers, producers, directors, casting directors, talent agencies, consultants, professional advisors and screenwriters, music composers, playback singers, etc).
5. Gift and Entertainment expenses
6. International Travel
7. Publicity and Marketing Costs
8. Purchase of Capital Goods

Other Conditions:

- (i) The Applicant / Producer / Production House shall submit the Audited Profit & Loss statement for the expenses incurred within the territorial jurisdiction of the State of Punjab for such Film/ Documentary/ Web Series certified by the Chartered Accountant.
- (ii) For the purpose of incentive calculation, the Applicant / Producer / Production House shall produce proofs of payments made through bank accounts or other online methods. Such application shall be verified by Government empanelled Chartered Accountant up on submission.