

INTEREST SUBSIDY SCHEME, 2017

1. Short title and commencement:

1.1 This Scheme shall be called the ***INTEREST SUBSIDY SCHEME, 2017*** and shall be governed by the Goa State Incentives to Encourage Investments Scheme, 2017 (Umbrella Scheme). This scheme shall come in force with effect from 1st October 2017, and shall remain in force up to 30th September 2022. However, the benefits under this scheme shall be disbursed to eligible applicants beyond the validity of this scheme, provided, application for at least one claim is submitted to the DITC during the validity of this scheme.

2. Objectives:

2.1 To incentivize units for making their enterprises financially viable.

3. Definitions:

3.1 Goan: For the purpose of this scheme, a “Goan” will be defined as:

- a) Person born in the State of Goa. OR
- b) Person having 10 years Residence Certificate issued by the Mamlatdar, OR Any other document indicating residence in Goa issued by the Government of India or Government of Goa or its organizations, issued prior to 10 years, to the satisfaction of Task Force Committee. (eg. Driving license, Ration card, EPIC, Passport etc)

4. Eligibility:

4.1 Micro, Small and Medium manufacturing industries listed under White category, Green category and Orange category, **which have commenced production after 1.10.2017** are eligible.

4.2 The projects of Hinterland Eco tourism in lesser developed talukas registered with/ recognized by the Department of Tourism/ Goa IPB/

Town & Country Planning/PDA/Eco Sensitive Zone Authority will also be eligible to avail benefits under this scheme subject to fulfillment of all the other eligibility criteria.

4.3 Enterprises engaging a minimum of 60% of Goan manpower on regular employment are eligible for benefits under this scheme. (for the purpose of this condition, employees who are employed continuously during the claim year and are on the payroll of the unit for that year shall be considered.)

4.4 This Scheme is applicable to the enterprises which have availed loan as term loan and/or working capital loan for conducting business of the unit claiming the benefit, from any nationalized bank, scheduled private bank, Co-operative Bank, EDC Ltd or any Non-Banking Financial Institutions recognized by the Reserve Bank of India **and is restricted to interest paid to these organizations only.**

4.5 However, the loans of EDC Ltd., if covered under the Modified Interest Rebate Scheme 2012, interest paid under CMRY scheme or and other employment generation scheme of Government of India/Government of Goa, units under Goa State Financial Relief Scheme for Sick Industrial Units, 2016, or any such scheme **as well as charges and penal interest shall not be eligible for the purpose of this scheme.**

4.6 The enterprises which are taking or have taken any benefit under any policy of the Department of Information Technology, Government of Goa, shall not be eligible for benefits under this scheme.

5. Period of Subsidy:

5.1 For all the enterprises, the period of grant of subsidy shall not exceed seven years, that is 27 continuous quarters subsequent to the quarter in which **the subsidy is first claimed.**

6. Calculation of Subsidy:

6.1 For claims of interest paid on **term loan**, subsidy will be calculated to the extent of 30% of the interest paid, subject to ceiling under this scheme.

6.2 For claims of interest paid on **working capital loan**, subsidy will be calculated to the extent of 1½% of the total turnover or 30% of the interest paid by the units/enterprise, whichever is less.

6.3 The subsidy will be pro rata increasing from 60% to 100% in a **continuous** linear scale subject to 60% to 80% of Goan employment.

Note: *The quantum of benefit shall be defined by the proportion of Goan employees as follows:*

<i>Sr no</i>	<i>Percentage of Goan employees</i>	<i>Benefit</i>
<i>1</i>	<i>Below 60%</i>	<i>No benefit</i>
<i>2</i>	<i>60%</i>	<i>60%</i>
<i>3</i>	<i>>61% to <79%</i>	<i>>62% to <100%</i>
<i>4</i>	<i>80% and above</i>	<i>100%</i>

6.4 The subsidy payable as calculated shall not exceed the ceiling of Rs. 25.00 lakh (27.5 lakh for all women and SC/ST applicants) per annum **calculated on pro-rata basis for part of the year as claimed.**

6.5 The benefits under this scheme are subject to budgetary allocation. **No Promissory Estoppel shall be applicable if benefits are discontinued in case allocation is exceeded.**

7. Procedure to file the claims:

7.1 The claim for the year **or part thereof** shall be submitted after closure of financial year as per the timeline mentioned in the Umbrella Scheme, in specified proforma along with following documents:

- (i) A self-attested copy of registration under Umbrella Scheme;
- (ii) A self-declaration in the format provided;
- (iii) The certificate issued by the nationalized banks/specified financial institutions in respect of total interest paid by the units;
- (iv) The Financial Statements certified by a Chartered Accountant, of the financial year;
- (v) CA certificate certifying the amount of interest paid (with a break up of interest paid on Working capital loan and Term Loan) and the annual turnover of the claim year. **The certificate should also indicate the extent to which the loan is defaulted (in case of default) and whether the loan is rescheduled. In case the loan is rescheduled, the interest on rescheduled component and original component should be clearly indicated.**
- (vi) A copy of payroll of the unit highlighting the number of total employees, and the number of Goan employees.
- (vii) **Certificate from Chartered Accountant stating that no claim from the Department of Information Technology, Government of Goa, has been made for any incentives.**
- (viii) **For applications under Hinterland Eco tourism, the certificate of registration/ or approval issued by the Department of Tourism/ CRZ Authority/IPB/ Eco Sensitive Zone Authority shall be submitted.**

7.2 In case the unit fails to file yearly claim **after the first claim** within the stipulated time frame, the unit shall be eligible to file the delayed claim in the subsequent year within the time frame as specified in the umbrella scheme, failing which the respective claim shall lapse. This facility shall be for delay in case of each independent claim. The lapsed claim shall not be revived by any authority. However, the approval under this scheme shall remain valid for future claims. The facility of filing delayed claims shall not be available for the last claim.

7.3 In case the unit fails to include any portion of interest that cannot be claimed due to non-payment before filing of application, the unit shall be eligible to claim such interest subject to payment of the same in the subsequent year. **In case of default in payment of term loan (i.e. not paid as per schedule of repayment) reimbursement of interest shall be reduced to the extent of default. Only the limit of original loan granted and not rescheduled loan shall be considered for interest reimbursement.**

7.4 In case of more than one unit with a consolidated balance sheet, a certificate from CA giving interest details unit-wise shall be submitted by the applicant and claim for only eligible unit shall be made accordingly.

8. Task Force Committee:

8.1 In addition to the members mentioned in the Umbrella scheme, the Task Force Committee for the purpose of scrutiny and recommendation of the applications under this scheme shall consist of following members:

- i. Director, Department of Tourism, as a Member.