

## **CAPITAL SUBSIDY SCHEME, 2017**

### **1. Short Title and Commencement:**

**1.1** The Government of Goa is pleased to frame the “Capital Subsidy Scheme, 2017” to provide financial assistance to the enterprises in the state of Goa. This scheme shall be governed by the Goa State Incentives to Encourage Investments Scheme 2017. This scheme shall come in force with effect from 1<sup>st</sup> October 2017 and shall remain in force upto 30<sup>th</sup> September 2022.

### **2. Objectives:**

**2.1** To support industrial development in the state of Goa.

**2.2** To facilitate up-gradation of existing industries.

**2.3** To make the business financially viable and attractive to small industries.

### **3. Eligibility:**

**3.1** All micro and small scale manufacturing units falling under white, green and orange category shall be eligible.

**3.2** All manufacturing units which have commenced commercial production after 1.10.2017 shall be eligible.

**3.3** All units which carry out substantial expansion after 1.10.2017 as defined in the umbrella scheme shall be eligible.

**3.4** The units which have availed of CMRY scheme or any scheme of Government of India/Government of Goa wherein capital subsidy is granted shall not be eligible for benefits under this scheme.

**3.5** The units which are taking or have taken any benefit under the Information Technology Investment Policy of the Department of Information Technology, Government of Goa shall not be eligible for benefits under this scheme.

#### **4. Nature of Benefit:**

**4.1** A capital subsidy of 30% of the cost of capital subject to a ceiling of Rs 10 lakh for micro units, provided the subsidy on building/office is restricted to Rs 5 lakh; shall be granted under this scheme

**4.2** A capital subsidy of 30% of the cost of capital subject to a ceiling of Rs 20 lakh for small units provided the subsidy on building/office is restricted to Rs 10 lakh shall be granted under this scheme.

**4.3** For the purpose of this scheme, the cost of capital shall include the cost of:

- i. All plant and machinery installed in the unit;
- ii. Information and Communication Technology (ICT) equipment required to operate the machinery;
- iii. Office and Factory premises

**4.4** However, the cost of land, pre-operative expenses, office equipment, ICT equipment for office use, all types of furniture and ERP software shall not be included while calculating the cost of capital.

**4.5** For units which have commenced commercial production after 1.10.2017, the eligible purchases made before 1.10.2017 will be considered for calculation of cost of capital subject to CA certification that such purchases have been utilized for the project under claim.

**4.6** The benefits under this scheme are subjected to budgetary allocation. No Promisory Estoppel shall be applicable if benefits are discontinued in case allocation is exceeded.

#### **5. Procedure for Filing Claims:**

**5.1** The benefits sanctioned under this scheme shall be disbursed in two equal installments.

**5.2**The units shall be required to make separate applications for release of each eligible installment.

**5.3**The eligible units shall apply for capital subsidy within one year of the date of commencement of commercial production.

**5.4**Release of 1st installment:The first installment of subsidy i.e. 50% of the total sanctioned amount shall be released to the applicant after the recommendation of the Task Force Committee.

**5.5**Release of 2nd installment:After completion of two years from the date of commencement of commercial production, the eligible functioning units shall apply in the specified proforma to the Directorate of Industries, Trade & Commerce along with documents as specified.

**6. Procedure to file Claims:**

**6.1** The eligible units shall apply in the specified proforma to the Directorate of Industries Trade and Commerce along with the following documents:

- i. A self-attested copy of registration under Umbrella Scheme;
- ii. A self-declaration in the format provided;
- iii. Relevant Invoices and Receipts to support the claim amount;
- iv. A certificate from a Chartered Accountant certifying the investment as per requirement of the scheme.
- v. A certificate from a chartered accountant certifying that the unit has not availed any incentive from Department of Information Technology, Govt of Goa.

**6.2**For Second Installment:

An application with:

- i. Audited balance sheets of above referred two years;
- ii. Income tax returns of above referred two years;
- iii. GST Returns of two years/ ROC returns (if applicable).