

EMPLOYMENT SUBSIDY SCHEME, 2017

1. Short title and commencement:

1.1 This Scheme shall be called the *EMPLOYMENT 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 create an environment conducive for attracting investment in the State of Goa and to incentivise existing units to be competitive while giving boost to local employment.

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 organisations, 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, Medium and Large manufacturing industries listed under White category, Green category and Orange category are eligible.

4.2 The projects of Hinterland Eco tourism in lesser developed talukas registered with/ recognised 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 fulfilment 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 on the enterprises' payroll continuously during the claim year shall be considered **for benefit as also for percentage of Goans employed.**)

4.4 All the Goan employees upto 60 years of age who are paid gross salary of more than Rs. 8,000/- per month shall be considered. For this purpose, gross salary shall mean all benefits paid to an employee except bonus (in whatever name it is called) and reimbursement of travelling expenditure. **However, those Goan employees who are paid gross salary of less than Rs.8,000/- per month shall be eligible for the purpose of counting the percentage of Goan manpower and not for calculation of subsidy)**

4.5 The relations defined under section 56 of Income Tax Act 1961 shall not be counted as employees for the purpose of this scheme.

4.6 The units which have availed of CMRY scheme or any other employment generation scheme of Government of India/Government of Goa shall not be eligible for benefits under this scheme.

4.7 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, **subject to general conditions of Umbrella scheme.**

6. Calculation of Subsidy:

6.1 Once an enterprise becomes eligible under this Scheme, following incentives shall be granted in proportion to the percentage of Goan manpower employed as mentioned in 6.2.

6.2 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>>60% to <80%</i>	<i>>60% to <100%</i>
<i>4</i>	<i>80% and above</i>	<i>100%</i>

6.3 In order to arrive at the subsidy amount payable to Micro, Small, Medium enterprises and eco-tourism projects, the total wages paid to Goan employees as per 4.4 shall be restricted to 50% and the wages so derived shall then be reimbursed based on the ratio of percentage of Goan employment as mentioned in 6.2 above. However, for calculating the benefit under this scheme, reimbursement shall be restricted to **Rs. 7,000/- per Goan employee per month**. The total subsidy shall not exceed Rs. 25.00 lakh per annum, on **pro rata basis depending on the date of production.**

6.4In order to arrive at the subsidy amount payable to Large enterprises, the total wages paid to Goan employees as per 4.4 shall be restricted to 25% and the wages so derived shall then be reimbursed based on the ratio of percentage of Goan employment as mentioned in 6.2 above. However, for calculating the benefit under this scheme, reimbursement shall be restricted to **Rs. 7,000/- per Goan employee per month**. The total subsidy shall not exceed Rs. 50.00 lakh per annum **pro rata basis depending on the date of production.**

6.5 The benefits under this scheme are subject to budgetary allocation. No Promisory 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 **financial** year shall be submitted 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) A copy of payroll of the unit highlighting the number of total employees, and monthly salaries paid to them in that year, certified by a Chartered Accountant.
- (iv) A statement of Goan employees excluding non-eligible Goans and monthly salaries paid to them in that year;
- (v) Documentary evidence to support that the employees are Goans as specified in clause (3) above;
- (vi) CA certificate certifying the amount paid to the Goan regular employees towards salary during that year.
- (vii) **A copy of Audited balance sheet of the unit for the claim year.**
- (viii) **A copy of GST returns filed by the unit for the claim year.**

(ix) 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.

(x) Certificate from Chartered Accountant stating that no claim from the Department of Information Technology, Government of Goa has been made for any incentives.

(xi) Copies of ESI/PF returns wherever applicable.

7.2 A certificate from CA giving details of salary paid to the employees unit-wise (in case of more than one unit of any kind of the same entity) shall be submitted by the applicant.

7.3 In case the enterprise fails to file yearly claim within the stipulated time frame as specified in the umbrella scheme, the enterprise shall be eligible to file the delayed claim in the subsequent year within the time frame 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.

8. Task Force Committee:

8.1 In addition to the members mentioned in the Umbrella scheme, the task for 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