Goa- Partnering for progress

Goa Investment Policy 2014
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Goa is the smallest state in India by area and the fourth smallest by population. It is bordered by Karnataka to the east and south, Maharashtra to the North and the Arabian Sea all along its coast.

Goa comprises of 2 districts, each of which has 6 talukas. Of the 12 talukas, 7 talukas have been designated as backward talukas viz. Pernem, Sattari, Sanguem, Quepem, Canacona, Bicholim and Dharbandora.

Some key statistics for Goa are shown below:

<table>
<thead>
<tr>
<th>Statistic</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Area</td>
<td>3,702 sq. km.</td>
</tr>
<tr>
<td>Population</td>
<td>1,457,723</td>
</tr>
<tr>
<td>Human Development Index (HDI)</td>
<td>0.779</td>
</tr>
<tr>
<td>Literacy</td>
<td>87%</td>
</tr>
<tr>
<td>Gross State Domestic Product (GSDP)</td>
<td>Rs. 35,135 crores</td>
</tr>
<tr>
<td>Net State Domestic Product (NSDP)</td>
<td>Rs. 29,396 crores</td>
</tr>
<tr>
<td>No. of industrial estates</td>
<td>20</td>
</tr>
<tr>
<td>Statistic</td>
<td>Value</td>
</tr>
<tr>
<td>-------------------------------</td>
<td>----------------------------------------------------------------------</td>
</tr>
<tr>
<td>No. of operating industrial units</td>
<td>~ 4000 units</td>
</tr>
<tr>
<td>Power demand</td>
<td>~ 500 MW</td>
</tr>
<tr>
<td>Road network</td>
<td>10,768 km (260 km National Highways)</td>
</tr>
<tr>
<td>Rail network</td>
<td>167 km (105 km- Konkan Railway and 62 km-South Western Railway)</td>
</tr>
<tr>
<td>Navigable internal waterways</td>
<td>255 km</td>
</tr>
<tr>
<td>Ports</td>
<td>1 Major (Mormugao), 5 Minor</td>
</tr>
<tr>
<td>No. of bank branches</td>
<td>643</td>
</tr>
<tr>
<td>No. of hotels/starred hotels</td>
<td>2,777 / 49</td>
</tr>
<tr>
<td>No. of hotel rooms/starred hotel rooms</td>
<td>26,859 / 4,519</td>
</tr>
</tbody>
</table>
Preamble

Industrial activity in Goa received a boost during the period from 1993 to 2002 as a result of special income tax status from the Government of India and a sales tax holiday from the Government of Goa. Post these incentives, the state continued to grow. Goa’ GSDP at current prices grew at 18% in the 2004-05 to 2009-10 period with the manufacturing sector growing at a healthy 14%. However, growth has been muted over the last few years due to the economic slowdown, and lack of a robust framework for industrial growth. The closure of mining activities in the state has further adversely impacted the state economy. The manufacturing sector grew at a low 2.8% in 2011-12 over 2010-11 while the overall GSDP growing at 5.9% largely due to the relatively healthy growth rate of 12.1% in the tertiary sector.

The Government of Goa recognizes the need to kick-start investment in the Goan economy. The state has high potential due to the availability of a combination of port, rail, road and airport for efficient logistics, and educated population, reliable and economical power supply and plentiful water resources along with an excellent lifestyle and availability of social infrastructure.

The Government is committed to making Goa a destination for best-in-class, resource efficient industries by making running a business delightful and pleasurable, with processes that are efficient, transparent and investor friendly. The Government is acutely aware of areas where improvements are required across the institutional and governance framework and intends to make necessary changes in legislation to bring about these improvements.

This policy aims to articulate the various initiatives being undertaken to make Goa a preferred and aspirational investment destination.
3 Vision, Mission & Objectives

3.1 The Goa Vision
To be an aspirational investment destination, by making business a pleasure, for best in class manufacturing, knowledge-based, tourism, entertainment and other service industries while improving the environmental and social indicators of the state

3.2 Mission
The mission of the Government of Goa for economic development includes
1. Environmentally sustainable industrial development to be ensured while accelerating investment in the state
2. Sustainable employment for the people of Goa, without impacting cultural identity
3. Existing industry in Goa to be competitive
4. Infrastructure enablers to be available and reliable
5. Governance structure that is transparent, seamless and pro-active

3.3 Objectives
The objectives of this policy are
1. Creating 50,000 jobs in the next five years;
2. Facilitating Rs. 25,000 crore of new investment into Goa in the next five years;
3. Providing high quality logistics infrastructure to industries;
4. Providing 24*7 high-quality power supply and quality core infrastructure to industries;
5. Using innovative and socially acceptable mechanisms to make land available for industrial development;
6. Setting up an Investment Promotion Board and bringing clarity to roles and responsibilities of Goa IDC, EDC, DITC, GEDC, ITG and GTDC;

This policy also aims at providing guidance for policies in other investment areas from the primary sector, and for creation of the institutional framework for facilitating investments in the thrust areas and other areas decided by the Investment Promotion Board/Government of Goa on an ongoing basis.
4 Investing in Goa - it's transparent!

4.1 Process

The Government of Goa will make the process of investment simple and quick through a transparent Investor-Government interface. This will be achieved through:

4.1.1. Investment Promotion Board

4.1.1.1. Establishment of the Investment Promotion Board

The Government of Goa proposes to set up an Investment Promotion Board as the nodal authority for investments in Goa which meet any/all of the below criteria:

a. Investment upwards of Rs. 5 crore
b. Area requirement equal to or above 3000 sq. meters
c. Classified under the Red or Orange category as per Goa State Pollution Control Board guidelines
d. Investments less than or equal to Rs. 5 crore and not meeting any of the criteria above can approach a dedicated sub-committee headed by the concern Minister Incharge to be set up within the Investment Promotion Board that will serve as a facilitator for investments of value less than or equal to Rs 5 crore.

The Investment Promotion Board will be a fully empowered statutory entity, headed by a full-time CEO and supported by a dedicated team. The Board will be non-executive and include 9 members from the industry. The Secretary (Industries) shall be permanent member and other Secretary and Head of the Department shall be invited as and when required. The Chief Minister of Goa will be the Chairperson, the Deputy Chief Minister the Joint Chairperson, the Industries Minister the Vice-Chairperson, and the Tourism Minister and Information Technology Minister will be members of the Board. The Board will meet on a fortnightly basis.

The CEO of the board will be an industry professional, a Class I Officer and Member Secretary. The CEO shall be selected by a committee which would comprise of the Principal Secretary (Industries), and representatives selected from industry bodies/associations of Goa.

4.1.1.2. Role and Responsibilities of the Investment Promotion Board

The Board would provide and/or facilitate approvals from the Government of Goa and its entities. The Board would also provide assistance in obtaining clearances from the Central Government or its entities.

The role of the Investment Promotion Board will include

1. Review (approval/rejection) of all investment proposals meeting the criteria in 4.1.1.1;
2. Draft approval process, guidelines and standard operating procedures for new investments.
   Reviewing and modifying these processes on an ongoing basis;
3. Appoint and manage the satellite expert consultant;
4. Facilitate approvals for investors to set up their units in Goa;
5. Promote Goa as an investment destination nationally and internationally;
6. Provide feedback and suggest interventions to the Government of Goa on investment climate
   and policy and regulatory environment on an ongoing basis;
7. Identify infrastructure gaps hindering investment growth in Goa on an ongoing basis and
   suggesting short, medium and long-term rolling plans to the Government to bridge the gaps;
8. Provide dispute and grievance redressal for investors.

The Investment Promotion Board will be empowered to oversee and direct the Directorate of
Industries, Trade and Commerce (DITC), Goa Industrial Development Corporation (GIDC), Goa
Tourism Development Corporation Ltd. (GTDC), Economic Development Corporation Ltd. (EDC),
Infotech Corporation Goa Ltd. (ITG) and other concerned bodies towards speedy processing of
investment proposals and investor facilitation. The said bodies will be responsible and accountable
for realization of the allotted tasks in a time-bound manner.

The Investment Promotion Board will frame an exit policy which will set the framework for any
industrial unit desirous of shutting down their operations in Goa.

4.1.2. Satellite expert consultant

The Investment Promotion Board would be assisted by a satellite expert consultant. The satellite
expert consultant would be a reputed external agency which would evaluate the investment
proposals based on pre-determined evaluation criteria. Based on these criteria, the consultant would
make recommendations on each proposal to the Investment Promotion Board, for approval or
rejection.

The Satellite expert consultant would be appointed by the Committee as referred in 4.1.1.1.

4.1.3. Dedicated Investment Officer

All projects approved by the Investment Promotion Board would be assigned a Dedicated
Investment Officer. The Dedicated Investment Officer will:

a. Assist the investor in obtaining clearances in a timely manner;
b. Facilitate all statutory clearances required, including the Consent to Operate;
c. Be responsible and accountable to the Investment Promotion Board for realization of the
   approved investment within a time-bound manner.
4.1.4. Licensing

The Government of Goa envisages providing all licensing, depending on technical limitations, for a maximum possible validity.

4.1.5. Role of the Economic Development Corporation Ltd. (EDC)

The Economic Development Corporation Ltd. (EDC), Goa will continue its role of providing debt funding to ventures in Goa. Additionally, the EDC/IT Development Corporation of Goa/Goa Tourism Development Corporation will perform the role of being the single-entity for scrutinizing, approving/rejecting and disbursing all incentives for industrial units/IT units/tourism units respectively.

4.1.6. IT enabled application process

The investment application process will be IT enabled and with clear benchmarks on time to be taken for each task within the process. Actual time taken for a task would be tracked and compared against the benchmarks with a redressal mechanism triggered for instances of delay. A clear status update would be provided to the investor on the status of its application at each stage.
Process for investing in Goa:

Preliminary Project Report (concept note) submitted to IPB

15 days
Evaluation and Recommendation by Satellite Expert Consultant

Investor

15 days
Check on land availability in Industrial Estates/ Other areas

Land not available, proposal put on hold

Land Earmarked

Detailed templatized proposal submitted to IPB

30 days
Evaluation and recommendation by satellite consultant

30 days
IPB decision on investment proposal along with all approving authorities

Rejection

Approval

Appointment of nodal officer who will assist with all approvals required to establish the unit

Receipt of all clearances for unit to establish facility and start operations

4.2 Guiding principles for evaluating investment proposals

The Investment Promotion Board will develop a detailed framework for evaluating investment proposals based on the following guiding principles:

Preference will be given to:

1a. Investors in the thrust areas

1b. Existing investors in Goa;
2. Investments proposed for environment friendly units;
3. Investments proposed in remote/backward talukas
4a. Investments which generate significant employment for Goans;
4b. Investment with higher ratio of employment generation to land requirement;
4c. Investments that generate jobs with attractive compensation;
5. Investors with good corporate governance standards;
6. Investments which will generate high revenue for the state government;
7. Investments with higher ratio of state government revenue to land requirement.
5 Thrust areas for greenfield investment

In order to meet the policy objectives, the Government of Goa has identified certain thrust areas for greenfield investment as below

a. Knowledge based industry, R&D centers and financial services
b. Pharmaceuticals & bio-technology
c. Integrated educational hubs
d. Tourism
e. Light engineering
f. Aviation, aerospace and defense
g. Information Technology (IT) Hardware and Electronics
h. Agro-based and food processing industries

The thrust areas are meant to serve as a broad indication of the areas in which investments will be encouraged. To ensure that any new investment proposal meets the Goa vision, mission and objectives, the investment proposal would be evaluated against a detailed evaluation framework. The guiding principles for this evaluation framework have been articulated in the ‘Setting up in Goa’ section.

5.1 Knowledge based industry, R&D centers and financial services

With a literacy rate of 87%, Goa is the fourth most literate state in India. Goa is amongst the top Indian states on most socio-economic parameters, including per capita income, educational institutions per capita and hospital beds per capita. The India Human Development Report 2011 ranked Goa as fourth in terms of overall human development in the country. Above all, the quality of life available in Goa is of a kind not seen elsewhere in the country- the National Commission on Population ranked Goa at the top for ‘quality of life’. To leverage these strengths, this policy aims to attract significant investment in knowledge based industries, research & development centers and financial services.

Knowledge industry, R&D centers and financial services would broadly include
a. Research & development in the areas such as life sciences, pharmaceuticals, biotechnology, engineering, engineering product development;

b. Outsourced activities in the areas of legal outsourcing, engineering outsourcing, medical outsourcing and other similar knowledge-based outsourcing;

c. Equity research, business & market research, design services, consultancy, animation;

d. Information Technology (IT), Information Technology enabled Services (ITeS) units. This includes IT software, IT services and IT enabled Services / Animation & Gaming/Digital Entertainment and IT Engineering Services companies;

e. Financial services;

f. Any other activity where the key business of the entity is obtaining and using specialized knowledge to provide high quality and valuable output.

The Government of Goa is keen on attracting such companies and will, through suitable implementation models, undertake construction of green, intelligent buildings with plug and play infrastructure. It is envisaged that the buildings will be in a ‘ready to use’ state for any small and mid-sized knowledge based industry to establish itself. Initially, a 1,000 seat capacity building will be set up. The Government is evaluating various modes for implementation, including private participation for the setting up of such infrastructure.

The Government plans to encourage local youth to enter knowledge based industries by offering more post-graduate and doctoral courses in various streams. This will include offering scholarships to deserving students pursuing such streams.

The Government also plans to set up an incubation center to cater to the requirements of the IT industry.

5.2 Pharmaceuticals & bio-technology

Goa has a large established pharmaceutical industry with estimated yearly revenues of more than Rs. 7,500 crores ($ 1.35 billion). The industry is growing at a healthy rate of about 15% annually, and employs more than 25,000 persons. It is estimated that the pharmaceutical industry in Goa contributes around 10% of India’ pharmaceutical output. The Mormugao Port is a notified port for both import and export of pharmaceutical products and there is an Assistant Drug Controller office in Mormugao.

While the robust growth is an indicator of the favourable investment climate in Goa for pharmaceutical companies, the Government is implementing key interventions to further improve the investment climate for pharmaceutical companies. Synergies with the pharmaceutical industry along with the several other advantages such as a large educated population makes Goa an attractive destination for bio-technology companies. A biotechnology incubator is being set up to encourage biotech entrepreneurs.
The following initiatives are being undertaken which will have a positive impact on the investment climate for pharmaceuticals & biotechnology companies

a. The planned revamp of type of courses and syllabi offered in colleges in Goa includes starting a M.Pharm in Pharmaceutics and other courses to meet the needs expressed by the industry players;

b. The Government of Goa will bring out a Biotechnology Policy for Goa shortly.

5.3 Integrated educational hubs

Goa presents several advantages for educational institutions

a. A long coastline, lush landscape, geographical and ecological diversity and cultural richness, make Goa an attractive proposition for any student. Brand Goa is well known in India and internationally;

b. The law & order situation in Goa is very good;

c. Goa is well connected to the rest of the country by air, rail, sea and road;

d. The Eleventh Finance Commission ranked Goa as the best state for infrastructure;

e. Goa has one of the best banking services in India, with a ratio of 3180 people per commercial bank branch.

The following initiatives are being planned to encourage setting up of integrated educational hubs

a. The Government encourages integrated educational hubs offering a variety of high-quality courses from K-12 to advanced post-graduate courses.

b. The Government will support institutions of global repute interested in setting up satellite standalone campuses in Goa.

5.4 Tourism

With numerous beaches dotting its beautiful coastline of 106 km, lush landscape, numerous historical temples and churches, wildlife reserves, the famous Dudhsagar waterfalls, geographical and ecological diversity, and cultural richness, Goa has been described as a tourists’ paradise. More than 3.0 million tourists, including 0.5 million foreign tourists, visit Goa every year and the number is growing at a healthy pace. Goa already has a large number of hotels across every class as detailed in the table below.

<table>
<thead>
<tr>
<th>Category</th>
<th>No. of hotels</th>
<th>No. of rooms</th>
<th>No. of beds</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>70</td>
<td>6207</td>
<td>10434</td>
</tr>
<tr>
<td>B</td>
<td>205</td>
<td>6765</td>
<td>12566</td>
</tr>
</tbody>
</table>
There are a number of starred hotels in Goa as shown in the table below.

<table>
<thead>
<tr>
<th>Category</th>
<th>No. of Hotels</th>
<th>No. of Rooms</th>
<th>No. of Beds</th>
</tr>
</thead>
<tbody>
<tr>
<td>5 Star Deluxe</td>
<td>11</td>
<td>1897</td>
<td>3588</td>
</tr>
<tr>
<td>5 Star</td>
<td>12</td>
<td>1110</td>
<td>1976</td>
</tr>
<tr>
<td>4 Star</td>
<td>04</td>
<td>342</td>
<td>621</td>
</tr>
<tr>
<td>3 Star</td>
<td>15</td>
<td>762</td>
<td>1378</td>
</tr>
<tr>
<td>2 Star</td>
<td>7</td>
<td>408</td>
<td>807</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>49</strong></td>
<td><strong>4519</strong></td>
<td><strong>8370</strong></td>
</tr>
</tbody>
</table>

The Government has increased its focus on high spending tourists with a potential to significantly impact the state economy and provide employment. Towards this, the Government welcomes investment in high-end tourism products including, but not limited to, the following:

a. Tourism hubs including oceanariums, theme parks, shopping malls, food & beverage outlets, entertainment centers, handicraft centres etc.

b. Convention centers

c. High-end water sports and adventure sports

d. Marinas at designated locations and hinterland river cruise tourism

e. Heritage tourism & home stays in heritage houses

The above projects are envisaged to be completed through private investment or through Public Private Partnership models.

The Government targets granting permissions to hotels across categories, towards building a cumulative additional capacity of around 8000 beds in the next 5 years. In order to achieve gainful employment for Goan youth, stress will be laid on creation of infrastructure and facilities which will attract high-end visitors. The disparity in proportion of low-end to high-end hotels is proposed to be addressed by encouraging more boutique and luxury hotels. The Government also plans to renovate and modernize properties belonging to the Goa Tourism Development Corporation.

Health and wellness tourism is an emerging area in India with an estimated 1.3 million visitors in 2013. Goa has good basic healthcare infrastructure as shown in the table below.

<table>
<thead>
<tr>
<th>Facility</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hospitals</td>
<td>161</td>
</tr>
<tr>
<td>Community health centers</td>
<td>5</td>
</tr>
<tr>
<td>Primary health centers</td>
<td>20</td>
</tr>
</tbody>
</table>
While medical tourism is growing in Goa, the Government is keen to attract investments in new facilities and draw more medical tourists to Goa for high-end and complicated procedures.

For medical tourism to take off in a big way, uniformity and quality of services offered are critical. Towards standardizing, ensuring quality and marketing medical tourism in Goa, the Government is implementing the following:

a. The Government is encouraging large healthcare facilities to set up hospitals in Goa to meet the needs of the increasing medical tourists;

b. Mandatory registration with the Directorate of Health Services and the Goa Medical Council for facilities offering medical tourism will be introduced. A rate card and details of facilities will be required for all facilities;

c. The Government will start a web portal with details of each healthcare facility, procedures offered and rate card. The portal will assist in putting patients in touch with doctors or facilities which they are interested in;

d. The relevant Government authorities will participate in national and international conferences promoting medical tourism;

e. Wellness facilities and alternative systems of medicine will also be encouraged through existing channels of the Tourism Department, Government of Goa.

5.5 Light engineering

The Government is enhancing focus on environmentally conscious light engineering industry. The light engineering industry would broadly include electrical, electronics & instrumentation, medical equipment, IT hardware, mechanical and other environmentally friendly hi-tech engineering units.

Light engineering industry plays an important role in meeting the requirements of the manufacturing sector both in Goa and outside. MSME’s in light engineering are being specifically encouraged through incentives and infrastructure enablement for such units.

Goa has several large and MSME light engineering industrial units. Some of the inherent advantages which Goa offers to light engineering industries include the availability of port, road, rail and air infrastructure and a large educated workforce.

To promote the light engineering industry, several enabling interventions are planned:

a. With skilled craftsmen being a critical requirement for the light engineering industry, the Government plans to revamp the courses offered and syllabi at the ITI’s and Polytechnic in Goa, in consultation with industry. The Government is setting up a sub-committee to the

<table>
<thead>
<tr>
<th>Sub-centers</th>
<th>205</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dispensaries</td>
<td>30</td>
</tr>
<tr>
<td>Total beds in hospitals</td>
<td>5336</td>
</tr>
</tbody>
</table>
proposed Education Task Force, made up of industry players and officials in the relevant Government Departments to evaluate existing courses and make recommendations on change in syllabi and introduction of new courses. Further, the Government plans to develop a framework to ensure adequate industrial training for all ITI and Polytechnic students;

b. The Government plans to set up a ‘Light Engineering Industrial Estate’ for MSME’s. Infrastructure of sheds, power and water supply and GBBN will be made available to each shed;

c. The Government will create a logistics hub including warehousing, container depot, cold storage facilities and linkage to port, road and rail infrastructure.

5.6 **Aviation, Aerospace and Defense**

The newly constructed terminal at Dabolim airport is an enabler for enhanced air traffic. In order to rapidly expand this traffic, the Government plans to announce a policy which will incentivize the creation of an airline hub at Dabolim airport. This will encourage airlines to operate more flights in and out of Dabolim, thereby increasing the flow of tourist and business visitors into Goa from existing and new destinations. This will undoubtedly strengthen the sustainability and growth prospects of Dabolim airport.

Notwithstanding this, the government is acutely aware of the limitations of Dabolim on account of it being a naval airport. Keeping in mind the long term growth requirements, the Government is planning to set up a new airport at Mopa. The airport is being designed to handle 4 million passengers, in addition to the 4 million capacity at Dabolim to create a total capacity of 8 million by 2018. The airport facility will contain a cargo hub as well as MRO facilities. With this large facility coming up, the Government of Goa is encouraging synergistic investments in the following areas of aviation and aerospace

a. Research & Development;

b. Engineering design and technology solutions;

c. Manufacturing of components;

d. Assembly and testing;

e. MRO facilities.

With large scale procurement by the Defense Ministry, Government of India and changes in the procurement policy, there is expected to be exponential growth in indigenous production of defense equipment in India. With its logistical advantage, the Government of Goa encourages Indian and foreign (through co-development, joint ventures and co-production) defense product and component manufacturers, and Research & Development ventures in the defense space.

In order to promote the sector, the Government is taking the following initiatives

a. Introduction of courses on aviation, aerospace and defense in the educational institutions in Goa;
b. The Government will allow, through suitable notification, construction of private terminals/jetties as well as improve infrastructure at existing jetties which can be utilized by the units for import of raw material and export of finished goods;

c. The Government will create a logistics hub including warehousing, container depot, cold storage facilities and linkage to port, road and rail infrastructure.

5.7 Information Technology (IT) Hardware and Electronics

The Government will setup an IT Hardware and Electronics park to encourage non-hazardous IT hardware and electronics manufacturing. The IT Development Corporation of Goa is preparing a Detailed Project Report for the building and will submit to the Government for approval shortly.

5.8 Agro-based and food processing industries

Goa has traditionally been strong in agricultural production. However, over the last decade the quantum of agricultural cultivation has reduced. The current produce of the major crops is in the table below

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Crop</th>
<th>Output 2011-12 (tons)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Paddy</td>
<td>182945</td>
</tr>
<tr>
<td>2.</td>
<td>Pulses</td>
<td>8286</td>
</tr>
<tr>
<td>3.</td>
<td>Groundnut</td>
<td>8000</td>
</tr>
<tr>
<td>4.</td>
<td>Vegetable</td>
<td>78201</td>
</tr>
<tr>
<td>5.</td>
<td>Sugarcane</td>
<td>46584</td>
</tr>
<tr>
<td>6.</td>
<td>Cashew</td>
<td>23240</td>
</tr>
<tr>
<td>7.</td>
<td>Coconut</td>
<td>129.28 (million nuts)</td>
</tr>
</tbody>
</table>

The Government of Goa is committed to reviving agriculture and has announced several schemes for agricultural promotion including schemes for new agriculturists as well as for usage of modern techniques to increase yield and quality. Goa also has a large fish catch and around 4000 hectares of marshy khazan lands for shrimp farming.

The Government seeks to create an enabling environment conducive to attracting investment in agro-based industry to accelerate the revival of agricultural production and animal husbandry activities, provide remunerative price to the farmers, and generate employment opportunities in rural areas. Environmentally friendly processing of agro-products that add value to the agricultural, fish and animal husbandry produce and open up export potential of the produce are also being encouraged.

To facilitate agro-based industry, the Government will be setting up cold chain facilities in the planned logistics hubs. For MSME’s in agro-based industries, the Government of Goa proposes to provide a sales and distribution network through outlets at major tourist entry/exit points, and
provide assistance and subsidies for export promotion. The Department of Agriculture will notify the scheme shortly.
6 **Business enablers**

This policy recognizes the availability of good infrastructure as being the single most important factor driving industrial growth. The Government is planning and implementing several interventions to improve the availability and quality of human capital, land, power supply, logistics infrastructure and effluent treatment.

6.1 **Human Capital**

Goa has a good availability of quality human capital with several institutions offering professional degrees and diplomas.

The core educational infrastructure is strong as indicated in the table below:

<table>
<thead>
<tr>
<th>Educational Infrastructure - 2011-12</th>
<th>No. of institutions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary Schools</td>
<td>1,232</td>
</tr>
<tr>
<td>Middle Schools</td>
<td>444</td>
</tr>
<tr>
<td>Secondary Schools</td>
<td>380</td>
</tr>
<tr>
<td>Higher Secondary Schools</td>
<td>86</td>
</tr>
<tr>
<td>Vocational and Professional Institutes</td>
<td>33</td>
</tr>
<tr>
<td>Teachers Training Institutes</td>
<td>4</td>
</tr>
<tr>
<td>University and Colleges for General Education</td>
<td>21</td>
</tr>
<tr>
<td>University and Colleges for Professional Education</td>
<td>29</td>
</tr>
<tr>
<td>Industrial Training Institutes (ITI)</td>
<td>14</td>
</tr>
</tbody>
</table>

There are 12 institutes which provide degree courses in Goa. Engineering studies dominate the professional degree courses in Goa with 75% of total seat availability. Computer engineering (315 seats) & IT (189 seats), electronics/electrical (378 seats) and mechanical engineering (252 seats) have the maximum availability of seats in the engineering degrees. The availability of seats in degree courses in Goa is shown below:

<table>
<thead>
<tr>
<th>Sr. No</th>
<th>Degree Course</th>
<th>Available seats</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Engineering</td>
<td>1292</td>
</tr>
<tr>
<td>2</td>
<td>M.B.B.S</td>
<td>150</td>
</tr>
<tr>
<td>3</td>
<td>B. Pharm.</td>
<td>126</td>
</tr>
<tr>
<td>4</td>
<td>B.H.M.S.</td>
<td>50</td>
</tr>
<tr>
<td>5</td>
<td>B.A.M.S.</td>
<td>40</td>
</tr>
<tr>
<td>6</td>
<td>B.D.S.</td>
<td>40</td>
</tr>
<tr>
<td>7</td>
<td>B. Arch.</td>
<td>40</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>1738</td>
</tr>
</tbody>
</table>

In addition, a wide range of post-graduation and doctorate courses in areas such as pure sciences, engineering, medicine and management are offered by institutes in Goa.
Along with the professional degree institutes, Goa has 14 skill enhancing institutes (ITIs) with 2473 seats in Goa which offer variety of diploma courses to the students. The majority of diplomas are related to skills in the mechanical engineering sector, hospitality and computers.

The Government of Goa realizes the importance of availability of human capital with adequate skills for the growth of industries. Some of the key steps planned by the Government to improve skill levels of locals for employment in industrial units include

a. Setting up of an Education Task Force to suggest changes in courses offered and syllabi. Separate sub-committees of the Task Force will be setup for Degree, Diploma and Skill Training courses. The Task Force and its sub-committees will consist of representatives from educational institutions and nominees from a cross-section of industries representing the thrust areas identified;

b. Setting up of a Counseling Cell to counsel candidates prior to entry into professional/ skill training courses to ensure sync between skill sets and interest in course being taken;

c. Introduction of new courses to meet current and expected requirements based on the recommendations of the Education Task Force. Emphasis would be laid on participation from industry to ensure course curriculum is updated in line with the requirements of industry;

d. Mandatory internships and industry interactions for all courses of a specified duration;

e. Creation of a database of students passing out and sharing with industry to facilitate employment of youth;

The Government is aware of several impediments which interrupt the smooth flow of business. The Government of Goa, through suitable notification of amendment to its existing rules, is proposing the following

a. Allowing self-certification, e-filing and consolidated annual returns as per Government of India guidelines to reduce the compliance timelines and issues;

b. Reduction in number of registers to be kept under Labour laws and allowing electronic registers;

c. In order to empower women, change in regulations to allow female employees to work in shifts subject to transport being arranged by the industrial unit for female employees working after 8 pm;

d. Allowing 12-hour shifts subject to the maximum working hours per week remaining as per relevant law;

e. Exemption from observing statutory holidays for all units subject to relevant laws;

f. Allowing Fixed Term Employment subject to the employees being Goans and enjoying benefits equivalent to those of full-time direct employees;
6.2 Industrial estates

The Goa Daman and Diu Industrial Development Corporation (GDDIDC) was established by the Government of Goa, Daman & Diu in February 1966 under the provisions of Goa, Daman and Diu Industrial Development Act, 1965 with the aims and objectives of securing and assisting in the rapid and orderly establishment of industries in Industrial Areas and Industrial Estates in Goa.

Now renamed Goa Industrial Development Corporation (Goa IDC), the corporation has set up 20 industrial estates across Goa. These estates house around 1620 operating industrial units over a utilized area of around 10 million sq. mt.

To increase clarity and transparency in allocation of plots in the industrial areas, the Government has notified the Goa Industrial Development Corporation Allotment Regulations, 2012. Further, to take back plots allotted to units but are non-operational, the Goa IDC Transfer & Sub-lease Regulations, 2013 were notified. Both these regulations are being further simplified to facilitate better implementation. The Government is confident that with these two notifications, the clarity and transparency in allocation of plots will improve and land in the industrial estates will be freed up.

New industrial estates and expansion of existing industrial estates

The Government has firm plans for the expansion of eight existing industrial estates in the talukas of Salcette, Mormugao, Canacona, Pernem, Bardez, Tiswadi, Ponda and Bicholim. The Government proposes to setup new industrial estates in Latambarcem (Bicholim), Carambolim (Tiswadi), Shiroda (Ponda), Sacordem (Dharbandora) and Poinguinim (Canacona). The Government is in the process of acquiring land for these new industrial estates/expansion of existing industrial estates, while working towards releasing the land given to SEZ’s which are currently under litigation.

Infrastructure for new industrial estates

In order to provide seamless access to infrastructure, the Government proposes that Goa IDC will be the sole infrastructure provider for all new industrial estates. This would include power – where Goa IDC would set up power transformers and an underground distribution network, water, data connection, effluent treatment and solid waste treatment and disposal. Goa IDC will bill industrial units directly for these utility services. Goa IDC is also evaluating a model for the larger existing industrial estates, such as the Verna Industrial Estate, where utilities will be augmented, operated
and maintained by a separate entity. A Verna Power Distribution Company Ltd. is being considered for power distribution in Verna Industrial Estate.

6.3 Power

Availability of power is critical for the functioning of industry in the state. Presently, the power situation in Goa is good; however, the Government recognizes the need to minimize the unscheduled power interventions.

The Government of Goa will provide 24 x 7 quality power to the industries. Special emphasis is being laid to minimize unscheduled power interruptions as well as to increase the availability of power to the state.

Currently, Goa has an allocation of approximately 460 MW from NTPC stations, 28 MW from NPCIL. A small quantum of power (approx. 47 MU) is procured from co-generation plants in Goa while around 16 MW of power is the allocation from a gas-based IPP in Goa. The Private IPP also supplies power linked to around 16 MW of capacity directly to industry. In 2012-13, Goa required approximately 3550 MUs of power. Based on a targeted GSDP growth rate of 12%, the requirement of power is expected to grow by around 5% year-on-year.

To improve the reliability and availability of power, the Government is undertaking several initiatives

6.3.1 Improving reliability

a. Separation of transformers for industrial and domestic use is under implementation

b. Separate transformer capacity (110/33/11 KV) at each industrial estate

c. Underground cabling for all 11 KV upwards lines is under implementation and all cabling within industrial estates at all voltage levels is envisaged

d. GIDC, as a nodal agency for industrial facilities in the state, would procure power for the upcoming industrial estates and would ensure availability of quality power 24 x 7 at the industrial estates.

e. The Government of Goa is undertaking upgradation of IT infrastructure under Restructured – Accelerated Power Development and Reform Programme (R – APDRP) which would help in automating the entire electricity distribution system and minimize downtime. The transmission network is part of the Power Grid Corporation’s Western Grid Strengthening Scheme-II.

6.3.2 Improving availability:

The Electricity Department, Government of Goa is preparing a medium term plan for sourcing base load and peak power, including gas-based power and will submit the same to the Government for consideration. The medium term plan will be based on the expected demand from new units as well as increased requirements of existing units.
a. Government of Goa has obtained an allocation in the Gare Pelma, Sector III Coal Block at Chhattisgarh from the Government of India. The coal block has the potential to power an 1800 MW power plant. An agreement has been entered into with a developer who would provide minimum power of 15% i.e. around 270 MW to the state of Goa. Government of Goa also has the first right of refusal for another 10% power i.e. around 180 MW from the power plant. Thus, the total availability of power from the coal block is 450 MW. 100 MW of power from the project is expected to be available to Goa by mid-2014 with the remaining available by the end of 2014;

b. The Government is in the process of getting firm additional allocations from various NTPC and NPCIL plants;

c. The state of Goa has a gas based power plant operated by a private player. Government of Goa has also received expression of interest from a number of companies for setting up of gas power plants in the state. The Government of Goa is envisaging the procurement of additional power from gas based power plants to address potential demand-supply mismatches during peak hour periods. The supply of gas for the power plants would be through the GAIL pipeline from Gokak to Goa, which has already been commissioned. Gas would be made available to industries in and around Verna, Kundaim, Tivim and Colvale. A gas grid through a joint venture with GAIL is being envisaged for other commercial use

d. The Government of Goa plans to promote power generation from renewable sources in the state. In this respect, the Government of Goa is in the process of framing a regulatory framework and enabling policy.

6.4 Land

Being a small state, Goa has limited availability of land. The Government of Goa envisages promoting transparent and optimal allocation of land while ensuring balanced development of all regions in the state. The key initiatives planned by the Government for providing access to land for industrial development include

a. Transparent allocation and transfer of plots in the industrial estates

b. The Government of Goa has notified the Goa Industrial Development Corporation Allotment Regulations, 2012 with an aim to bring in transparency in allocation of plots for industrial uses. The allotment of plots in the industrial estates would be undertaken on the basis of the predefined framework as enshrined under the regulations. The regulations are being further simplified to incentivize the allocation of plots to investors which would achieve commercial production within two years. All allocation of plots in industrial estates would be undertaken as per these regulations to ensure transparency and allocation within a defined time period.

c. Development of new industrial estates with balanced development
d. The Government proposes to develop new ‘model’ industrial estates with the provision of core infrastructure such as 24 x 7 power availability, water availability and waste management facilities.

e. FSI/FAR incentives

f. The Government will increase the FSI to 2 for pharmaceutical and knowledge based industries and 1.5 for all other industrial units. The Town and Country Planning Department shall issue necessary notifications in this regard.

g. Government assistance in land procurement as per the new Land Acquisition Act that came into force wef from 01.01.14

Maps of the land which can be utilized for industrial activity shall be notified along with the Land Use Policy of the Government of Goa.

6.5 Logistics

6.5.1 Logistics hubs

The Government is planning three logistics hubs in Pernem, Dharbandora and Canacona. The Pernem hub is planned to be developed first through the PPP route and will consist of an ICD, warehousing, truck terminal, cold storage facilities, perishable agri-produce facilities, hazardous cargo facilities, workshops, container repairs etc. as will cover an area of approximately 5 lakh sq. mt.

The Dharbandora hub is planned over an area of approximately 5 lakh sq. mt. and will consist of a CFS, warehousing, truck terminal, cold storage facilities, perishable agri-produce facilities, hazardous cargo facilities, workshops, container repairs etc. A fuel pipeline between Mormugao Port and the Dharbandora hub is also planned to reduce the pressure on road infrastructure leading to the port.

The Canacona hub will consist of a warehousing, truck terminal, cold storage facilities, perishable agri-produce facilities, workshops, etc.

6.5.2 Verna Container Freight Station

The Central Warehousing Corporation (CWC) has a CFS in Verna with 1858 sq.mt. of covered capacity and 1890 sq. mt. of open capacity. The Government plans to assist CWC in improving facilities at the Verna CFS.

6.5.3 Ports & Waterways

Goa has one major port, Mormugao, and minor ports in Panaji, Chapora, Betul, Talpona and Tiracol. The Mormugao Port is a notified port for both import and export of pharmaceutical products. An Assistant Drug Controller office is also established in Mormugao. The port has a dedicated crane for containers.
The Government, through the Captain of Ports Department, is improving infrastructure at all the minor ports. It is also installing vessel traffic and port management system (VTPMS) in Panaji port followed by the other minor ports. The Government is also adopting technology and business practices to improve efficiency of the minor ports and will provide inputs to the Mormugao Port Trust on improvements required in Mormugao Port based on feedback from industry.

Goa has 255 kilometers of rivers and canals with a large portion being navigable.

6.5.4 Private terminals/jetties

Logistics time and cost can be significantly reduced by using Goa’s vast inland waterway network. Existing underutilized jetties are proposed to be upgraded to handle break-bulk cargo while new jetties are being planned at Borim and Amona to handle containers. There are plans for several other jetties at various locations under consideration.

To encourage construction of private terminals/jetties/landing areas, the Government will offer a single window clearance through the Captain of Ports Department, Government of Goa. The Captain of Ports Department will also assist the investor in getting relevant clearances from the Goa Coastal Zone Management Authority and Goa State Pollution Control Board.

The Government of Goa will set up the Goa Maritime Board to administer all the activities mentioned above.

6.5.5 Road network

Goa has a well developed road network of 10,768 km including 269 km of National Highways. NH-17 runs along the west coast and links Goa to Mumbai in the north and Mangalore in the south. NH-4A runs across the state and connects Panaji to Belgaum, Karnataka. Widening of both these highways to 4/6 lanes is underway.

An important link road of 30 m R/w is proposed to link NH4 A (near Corlim) and NH17 (at Agassaim). NH-4A is planned to be extended in two directions as indicated in the map below
6.5.6 Railways

Goa has about 167 km of rail network of the Konkan Railways and the South-Western railways connecting Goa to the rest of the country. The Konkan Railways and the South-Western railways meet at Margao railway station. The Mormugao Port is connected to the South-Western railway.

To facilitate transportation of containers to the Nava Sheva port and other hinterland locations, the Government is in discussions to start container trains on the Konkan Railway route. The Konkan railway will be allowing 2 slots a week for container trains from Pernem.

6.5.7 Other initiatives

Several other initiatives have been taken to improve the logistics infrastructure in Goa. These include

a. As an incentive to Goan barges, the Government, subject to approval from DG Shipping, plans to allow coastal shipping routes to JNPT and Gujarat using converted barges which were earlier used for transportation of iron ore. The Government will provide an interest subsidy in financing cost up to a capital cost of Rs. 3 crore per barge for conversion to a vessel capable for shipping on coastal routes;

b. To encourage construction of private terminals/jetties, the Government will by offer a single window clearance through the Captain of Ports Department, Government of Goa. The Captain of Ports Department will also assist the investor in getting relevant clearances from the Goa Coastal Zone Management Authority;

c. Creation of a logistics hub with warehousing, cold storage facilities, truck terminal, container terminal and connectivity to both Konkan Railway and South Western Railway lines. Implementation of the logistics hub is proposed on a Public Private Partnership basis;

d. Improve container handling capacity at MPT.
e. The Government is setting up a Logistics Cell to understand logistics improvement requirements, plan for infrastructure improvement and monitor progress of infrastructure augmentation initiatives.

6.6 Micro Industrial Zones- MIZ

The Government of Goa is keen on setting up MIZs in each taluka in a phased manner. Mechanical workshops, stone cutting units, and other such units are scattered across settlement areas, resulting in micro industries perceived to cause sound and water pollution, power fluctuations and water scarcity in residential areas. In order to encourage local arts and crafts, coir, textile and handicraft units will also be given specific preference in some MIZs.

The MIZ’s will provide a cheap and readily available facility for establishing micro units. The physical infrastructure such as water, electricity and other utilities will be provided within the MIZ.

6.7 Waste management

Proper management and disposal of waste is critical for sustainable development of the state. The Government of Goa is keen to develop infrastructure for protection of environment and to ensure green development in the state.

The key steps proposed by the Government of Goa in the management of waste include

6.7.1. Setting up of common facilities at an industrial estate level or district level for treatment and disposal of the following types of waste

a. Industrial waste- A site has been selected at Dharbandora, environmental clearance has been obtained and a private operator has been selected for landfilling activities. The project is expected to commence operations shortly. All industrial facilities in Goa will need to dispose of their waste in this facility. An incineration facility is also being planned at a suitable site.

b. Bio-medical waste

c. Effluent treatment plants
d. Construction & Demolition waste
e. E-waste

6.7.2. PPP models

The Government of Goa aims to promote waste management as a stand-alone financially viable activity through professional, technology driven PPP investments in waste management and disposal. The Government plans to setup common facilities for solid waste management, industrial and hazardous waste, construction and demolition waste, e-waste and effluent through PPP models.

The private partner will levy volume and type of waste based charges on the users of these facilities in order to make the project viable. The Government will also consider granting viability gap funding based on the commercial viability of each project. The Government will appoint a consultant to assist in developing the project structure and bid documents.
6.8 Water

Goa has abundance of water through its rivers – Mandovi, Zuari, Chapora, Sal and Terekhol along with plentiful rainfall. The Government of Goa aims for sustainable development in the state and thus plans to optimally utilize its water resources while ensuring availability of water to the industries. The key steps planned by the Government to provide water to the industries include

6.8.1. Supply of adequate partially treated water to industries in industrial estates

The Goa Industrial Development Corporation along with the Department of Water Resources will ensure adequate provision of partially treated water to the industrial estates. The quality of partially treated water in Goa is comparable to potable water due to abundance of fresh water supply. The partially treated water can be further treated by industries as per their requirements.

6.8.2. Supply of potable water to industries in industrial estates

Goa IDC aims to provide potable water to industries in the industrial estates through a common treatment facility.

6.8.3. Rainwater harvesting

The Government of Goa proposes to lay special emphasis on rainwater harvesting by industries, especially those on plateaus, to ensure sustainable development in the state. Rain water harvesting will be mandated for all industries. Incentives for rainwater harvesting are detailed in the ‘Environmentally friendly incentives’ section of this document. The Government realizes that, based on topography of the site of the industrial unit, it may not be practicable for all industrial units to set up rainwater harvesting facilities. Large central rain water harvesting facilities are planned to be set up by the Government or an entity appointed by it. Units unable to meet their obligations of rainwater harvesting will need to make financial contributions towards the set up, operations & maintenance of this facility in lieu of their rainwater harvesting obligations.

6.9 Voice and data infrastructure

All telephone exchanges in Goa are automatic.

Goa is the first state in the country to have in place a truly converged Wide Area Network, the Goa Broadband Network (GBBN) which carries voice, video and data encapsulated in IP packets across the state.

The GBBN has been designed to connect the State Headquarters, District Head Quarter with all 12 Talukas, Village Panchayats, Households, institutions and business units across the State. The end-to-end IP network
carries data, phone calls as well as videoconferences on the same converged infrastructure. The network has a 10 Gbps backbone and 1 Gbps distribution layer structure.

It is proposed that the GBBN network will be provided along the key roads in the industrial areas. Each industrial unit can connect to this network by laying necessary infrastructure to the trunk network.

### 6.10 Healthcare

Goa has a strong health infrastructure as indicated in the table below

<table>
<thead>
<tr>
<th>Facility</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hospitals</td>
<td>161</td>
</tr>
<tr>
<td>Community health centers</td>
<td>5</td>
</tr>
<tr>
<td>Primary health centers</td>
<td>20</td>
</tr>
<tr>
<td>Sub-centers</td>
<td>205</td>
</tr>
<tr>
<td>Dispensaries</td>
<td>30</td>
</tr>
<tr>
<td>Total beds in hospitals</td>
<td>5336</td>
</tr>
</tbody>
</table>
7 Incentives to encourage investment

To encourage investment, the Government recognizes the need to provide incentives to industries. The incentives would primarily be ‘Outcome based incentives’ i.e. based on performance on certain parameters.

7.1 Incentives across industry areas

7.1.1 ‘Special Incentive’ for new investments and expansion of existing units

New units setting up in Goa in the thrust areas will be offered a ‘Special Incentive’ of 70%/50% (backward talukas/other talukas respectively) on their total investment in the form of VAT rebate, employment rebate and stamp duty rebate.

<table>
<thead>
<tr>
<th>Special Incentive</th>
<th>Upper limit per year</th>
</tr>
</thead>
<tbody>
<tr>
<td>VAT/CST</td>
<td>25% of VAT/CST payable during the year</td>
</tr>
<tr>
<td>Employee wages</td>
<td>Rs. 25 lakhs per unit per year or 15% of total wages per year, whichever is lower for Goan direct employees with monthly emoluments of a minimum of Rs. 15,000</td>
</tr>
<tr>
<td>Stamp duty on land</td>
<td>50% of stamp duty payable in backward talukas</td>
</tr>
<tr>
<td>acquisition</td>
<td>25% of stamp duty payable in other talukas</td>
</tr>
<tr>
<td></td>
<td>to be set-off against VAT/CST paid in the first year of operation</td>
</tr>
</tbody>
</table>

The total Special Incentive will be limited to 70% /50% (backward talukas /other talukas respectively) of the total capital expenditure in the project, excluding the land cost. In order to be eligible for the incentives, the unit will need to employ a minimum of 80% Goans. This criterion can be reduced to 60% employment of Goans for deserving cases as decided by the Investment Promotion Board. In such cases, the Special Incentive will be proportionately reduced based on the actual percentage (between 60% and 79%) of Goans employed.

For the purpose of this policy, a Goan is defined as a person satisfying any/all of the following criteria:

a. Persons born in the State of Goa;

or

b. Persons having domicile for 10 years or more in the state;

or

c. The persons having at least one of the parents born in Goa;
Further, in order to be eligible for the incentive, the unit will need to provide internships of duration not less than 2 months to at least 3 students every year pursuing diploma, graduate or post graduate technical courses in the state of Goa.

The incentives will be available for a period of 7 years from the date of start of production provided that the production starts prior to March 31, 2019.

Existing units can also avail of these incentives on expansion provided the expansion results in an increase of at least 25% in installed capacity and it meets the other stipulated conditions.

7.1.2 Training linked incentives

The Government recognizes that in some areas there is a gap between employer expectations and skill sets available in Goa. The Government, through the relevant departments, is taking strong steps to improve the quality of education as well as introducing new courses to meet industry requirements. However, the Government realizes that every skill set required by industry might not be readily available. To encourage companies to train their prospective employees, the following incentives/initiatives are being introduced

a. Reimbursement of 75% of the training costs for prospective Goan employees subject to a maximum of Rs. 75,000 per prospective employee and Rs. 750,000 per unit per year. The reimbursement will be only after the prospective Goan employee is employed by the unit;

b. The Government will notify colleges, polytechnics and ITIs which will be empowered to give accreditation to training courses. An industrial unit can approach these notified educational institutions with their customized training courses (which could include on-site training); these courses can be offered subject to accreditation and approval.

c. A scheme where industrial units can sponsor candidate’s education in ITI, run specific courses for such candidates relevant to their industry and guarantee employment for these candidates will be notified shortly.

This incentive is applicable to both existing and new units. In order to be eligible for this incentive, a unit will need to provide internships of duration not less than 2 months to at least 3 students every year pursuing diploma, graduate or post graduate technical courses in the state of Goa.

7.1.3 Procurement of local raw material

The Government is keen that existing and new industrial units use local raw material. Specific incentives to encourage procurement of local raw material will be specified vide modification to the “Incentives to encourage consumption of local raw material Scheme, 2008”

7.1.4 Environment friendly incentives

Goa’s beautiful and varied environment needs to be preserved. While industrial activity is important for economic growth and job creation, the Government of Goa is clear that this will not be at the cost of the environment. Along with a specific thrust on encouraging environmentally
conscious industry segments, the Government is keen to incentivize investments by existing and new units in environmentally friendly initiatives as under

   a. Water & energy audit: Reimbursement of 25% of the cost of water and energy audit by a recognized institution/consultant

   b. Water & energy conservation equipment: Reimbursement of 25% of the cost of water and energy conservation equipment, subject to a cap of Rs. 100,000 per unit

   c. Renewable energy: Reduction of 100% in electricity duty for units installing renewable power generation equipment subject to the unit meeting at least 25% of its power requirement from renewable sources. The Power Department, Government of Goa will be shortly bringing out a Renewable Power Generation policy which will lay down the regulatory framework for renewable power generation.

7.1.5 Entry tax waiver

Entry tax will be waived for a period of 5 years for all new units being set up in the thrust areas in the backward talukas. Additionally, entry tax will continue to be waived for all MSME’s.

The waiver will be applicable only for goods which are not available within Goa. Goods on the negative list will not be entitled to this waiver.

7.1.6 Interest rebate scheme

The Economic Development Corporation (EDC), Government of Goa introduced the Modified Interest Rebate Scheme-2012 (MIRS-2012). The scheme offers interest rate rebates to units located in backward talukas with further rebates to Goan and woman entrepreneurs. The scheme details are available on:


The scheme would be extended in the current industrial policy till 2018.

7.1.7 Innovation & productivity enhancement

Innovation and productivity is the key to sustainability in any organization. The Government announces the following schemes to encourage innovation and productivity enhancement

   a. Reimbursement of 50% of the professional fees for registration or fees paid to the registry for registration of Intellectual Property Rights (IPR) subject to a limit of Rs. 500,000 per unit.

   b. Setting off against VAT the cost in acquiring patents, copyrights or trademarks for specific use in the unit in Goa

   c. To encourage R&D in biotechnology and electronics manufacturing units, the Government will set up common facilities for such units which can be utilized on a pay per use basis to such units
7.2 **Incentives for entrepreneurs**

7.2.1 **Venture Capital Fund**

To encourage entrepreneurs setting up new ventures in Goa, the Government is setting up an entity “Ventures Goa” in association with the private sector. Funding for the entity will be through Government and private sector resources. The key aim of the entity will be to invest in new units in Goa. The Government is in the process of bringing out a notification in this regard.

7.3 **MSME incentives**

The Government of Goa will strengthen ongoing schemes so as to make them broad based and covering the entire spectrum of MSME industries

a. Preferential Purchase Incentives for Small Scale Industries Scheme- the cap on turnover to be eligible for this scheme will be removed to enable more MSME’s to participate;

b. Stamp duty rebate of 75% for MSMEs;

c. The Goa State Export Market Development Scheme;

d. Waiver of entry tax for MSMEs;

e. Rate contract scheme of Goa Handicrafts

The Government is pleased to announce the extension / re-notification of these incentives in the current industrial policy till 2018. The schemes details are available on http://www.goaditc.gov.in. Necessary notification for extension and modification, where applicable, of these schemes will be issued shortly.

Besides these schemes, the following initiatives are being taken

a. Industrial parks for MSME’s in light engineering, IT Hardware and Electronics and Food Processing are being planned;

b. A Technical Advisory Committee comprising of members nominated by GSIA to provide technical advisory services to MSMEs is being constituted;

c. Quality certification charges- To encourage production of quality goods and services, the Government will offer a reimbursement of expenses incurred towards getting quality certification for all existing and new units. This includes Indian Standard Institute, International Standard Organization (ISO) – 9000/9001 (or any higher) certification, SEI-CMM level 3 upwards, e-SCM level 3, Conformity Europeene (CE), CMMI Level 2 upwards or any other national / international certification for quality standards and/or patents right on product and/or processes. The reimbursement will be limited to Rs. 200,000 per unit.
7.4 **Incentives to agro based industries**

In order to incentivize agro-based industries, the Government will, through suitable notifications, allow land use coverage of 25% in Orchard zones.

7.5 **Public Private Partnership**

The Government is keen to encourage private participation through Public Private Partnership models and has formed a PPP Cell. The PPP model will be based on, inter alia, the nature of each project, its standalone viability and reasonable user charges which can be levied. An independent consultant will assist the Government in the project structuring, development of bidding documents and conducting the bid process. Some of the projects where the Government is considering PPP include:

- a. Tourism hubs including oceanariums, theme parks, shopping malls, Food & Beverage outlets, Convention Centers, handicraft centres etc.
- b. Convention centers
- c. High-end water sports and adventure sports parks
- d. Marinas
- e. Renovation and modernization of GTDC properties
- f. New ITIs and Polytechnics
- g. Logistics hub
- h. Jetties/minor ports
- i. River transportation
- j. ‘Light Engineering Industrial Estate’ for MSME’s
- k. Common industrial waste facilities
- l. Common effluent treatment plants
- m. Common e-waste facilities
- n. Renewable energy
- o. Gas based power generation facilities

7.6 **Procurement of consultancy services**

The Government will be utilizing the services of reputed consultants for performing the role of the satellite expert consultant as well as for several of the initiatives planned. The Government is keen that such consultants have offices in Goa and recruit Goans for roles where necessary skills are available in Goa. Preference may be given to consultants meeting these requirements. A notification will be issued shortly.