R&D Reimbursement Scheme

Goa Start-up Policy 2017

R&D Reimbursement Scheme

1. Preamble to the Policy

Government has approved and notified the Goa Start-up Policy 2017 with a vision to make Goa one of the most preferred start-up destinations of India. The objective of the policy is to make Goa an aspirational geographical and human resource base for Start-ups. The objective is to invite the best entrepreneurial minds and build a robust start-up eco-system in the State. The policy contains various incentives for Start-ups and to avail the benefits of these incentives, the Government has proposed many schemes under the policy.

2. Short title and commencement-

This scheme shall be called "R&D Reimbursement Scheme".

3. Benefits under the scheme-

- 3.1. In order to promote innovation amongst the Goans and local start-ups, 50% of R&D expenses, including salaries of PhD holders employed by start-ups will be reimbursed for a period of two years, subject to a cap of INR 5 lakh per annum but salary component must not be in excess of INR 2 lakh under this scheme.
- 3.2. This benefit can be availed by maximum 100 startups each year.
- 3.3. Under no circumstance shall the benefits under this scheme be considered an entitlement. The SPC shall reserve the sole right to accept or reject applications.

4. Eligibility-

- 4.1. All the local start-ups certified by the Start-up Promotion Cell (SPC) having a valid start-up certificate number are eligible to apply for this scheme.
- 4.2. This is applicable only for Goans and local start-ups.
- 4.3. The bank accounts of the Directors of the company should be linked to Aadhaar.
- 4.4. The employees whose salary are to be reimbursed should be hired for a period of at least 12 months.
- 4.5. The employee whose salary is to be reimbursed should have a PhD or equivalent from a Government recognized institute.
- 4.6. The bank accounts of said employees should be linked to Aadhaar.
- 4.7. For the purpose of determining eligible expenses towards R&D Expenditure, Accounting Standard 18¹ on Research and Development by Institute of Cost Accountants of India would be used.
- 4.8. The benefit of this scheme can be availed by the startups who are in in the R&D stage and developing technology/ products in the domains specified in the Policy.
- 4.9. The start-ups will be eligible to avail the benefits of the scheme under the following conditions-
 - 4.9.1. They should have a working prototype of the technology/ product.
 - 4.9.2.Preference will be given to the startups who are working on a technology/ product that have successfully applied for patent or have obtained a patent.
- 4.10. Only expenditure incurred after notification of Goa Start-up Policy 2017, being within the validity of this policy and paid for digitally will be considered. In case digital payments are not possible then it shall be up to the decision of SPC based on its due diligence to admit the expenditure.

Local start-up means start-up in which at least 50% equity/share is held by one or more Goans continuously since the time of inception.

¹ http://icmai.in/upload/CASB/CAS_18.pdf

- 1. Born in the State of Goa; or,
- 2. Person having domicile for 10 years or more in the State; or,

3. Spouse of a person covered under any of the conditions mentioned in (1.) and (2.), through marriages registered in Goa.

For the purpose of this scheme 'employees' shall mean PhD or equivalent employees for whom a reimbursement is being claimed.

5. Procedure for filing and disbursement of claims-

- 5.1. Start-ups who desire to claim incentives under this scheme shall submit the application form to SPC along with requisite set of documents. The form and the documents are to be emailed or to be submitted on the web portal to the SPC.
- 5.2. The applicant shall take prior-approval from SPC for this scheme in the application format mentioned in Annexure 2.
- 5.3. Based on the evaluation of the SPC, the approved amount shall be reimbursed.
- 5.4. The SPC shall be the competent authority to solely accept or reject any claims filed by the Start-ups. The decision of the SPC shall be final and binding.
- 5.5. The applicant can apply for this scheme at any time of the financial year but only within 6 months of incurring the relevant expenditure.
- 5.6. The applicant can avail the benefits of this scheme bi- annually/ annually.
- 5.7. The applications received by the SPC under this scheme shall be evaluated and approval or rejection shall be notified within 45 days from receipt of the application by the SPC. Once the application is approved by the SPC, the approved amount shall be disbursed within 60 days from the date of approval.

6. Documents required for claiming the incentive-

S No	Document					
1.	Copy of Aadhaar card of Director/ CEO*					
2.	Documents of PhD salaried employees*					
3.	HR letter certifying that employment contract of employees fulfil conditions mentioned in the policy and work profile*					
4.	Contract of Employment (should be of at least 12 months)*					
5.	Salary slips of concerned employees*					
6.	Bank certification/ Bank account statement showing debit of salary*					
7.	Research proposal detailing the relevance and application of the research proposed*					
8.	Copy of research work*					
9.	Original Proof of Payment of R&D as per Cost and Accounting Standard 18*					
10.	The form and documents as mentioned in Annexure 1*					

Annexure- 1

APPLICATION UNDER R&D REIMBURSEMENT SCHEME

Date:

Startup Certificate No.:

Amount Claimed:

Research Methodology used:

Research outcome:

Expenditure details:

S No	Material/ Item	Quantity	Unit cost in rupees (INR)	Total cost in rupees

List of PhD employees and their salary details:

S No	Name of Employee	Date of Joining	Salary (per month)	PhD Details	Official Email Id	Official contact Number

Documents attached (* denotes mandatory documents):

- □ Copy of Aadhaar card of Director/ CEO*
- □ ID proof(s) for employees*
- □ HR letter certifying that employment contracts of employee fulfill conditions mentioned in the policy regarding period of contract and work profile*
- □ Contract of Employment for employees*
- □ Salary slips of concerned employees*
- □ Bank certification/ Bank account statement showing debit of salary*
- □ Research proposal detailing the relevance and application of research proposed*
- □ Copy of research work*

□ Original bill of expenses on research as per Cost and Accounting Standard 18*

□ _____(If you are attaching any other documents, please mention them here)

- \Box I hereby certify that the information provided is correct to the best of my knowledge.
- □ I hereby consent to abide by the decisions of the SPC to prohibit me from availing the benefits of this and/or any other scheme under the Goa Startup Policy 2017 if I am found guilty of misrepresentation or any other fraudulent activity in connection with my application under this scheme.
- \Box I hereby consent to the use of my logo by the Startup Promotion Cell, Goa.
- □ I hereby consent to make myself/my team available to any research being undertaken, as advised by Startup Promotion Cell, Goa.

(Please check the boxes)

Name of Applicant(s)/Organization and Name of authorized signatory:

Annexure- 2

APPLICATION FOR PRIOR APPROVAL ON R&D EXPENDITURE

Date:

Startup Certificate No.-

1. Objective of the research:

2. Indicative expenditure:

S No.	Material/ Item	Quantity	Unit cost in rupees (INR)	Total cost in rupees
1.				
2.				
3.				
			Total cost(1+2+3)	

- 4. CVs of required persons: Please follow the World Bank CV format.
- 5. Brief of the research methodology:

6. Success and failure criteria:

 \Box I hereby certify that the information provided is correct to the best of my knowledge.

(Please check the boxes)

Name of Applicant(s)/Organization and Name of authorized signatory: