

**IT/ITeS Policy – 2016-21
Modification/amendments /
clarification in the Policy
and the Scheme**

**GOVERNMENT OF GUJARAT
SCIENCE AND TECHNOLOGY DEPARTMENT
GR No. ITP/10/2011/299230/(912)/IT
SACHIVALAYA, GANDHINAGAR
DATED: 01/03/2019**

Read :

IT / ITeS Policy (2016-21) and Scheme dated: 12-02-2016

Preamble:

The Government of Gujarat came out with IT/ITeS Policy and Scheme vide GRs dated 12-02-2016 referred above.

2. During the implementation, few questions were raised for clarification as well as for aligning policy with the Industrial policy in relation to the eligibility, disbursement etc. In consequences thereof, consultation was held with Finance Department, Industries and Mines Department, Science & Technology Department, Office of Industries Commissioner, Director (ICT & e-Governance) and Gujarat Informatics Ltd.
3. Issuance of certain clarifications and amendments for efficient implementation of the policy was under active consideration of the Government:

RESOLUTION :

After careful consideration, Government is pleased to issue the following modification and explanatory clarifications to the IT/ITeS Policy and Scheme -2016-21 issued vide GRs read at above.

Issue	Modification / Amendment / Clarification
<p>1. Definitions: “Expansion and/or Diversification” means an existing unit in Gujarat undertaking seat capacity expansion such that total seat capacity as well as head count of employees on its payroll goes up by 50% of current seat capacity or by 1000 persons, whichever is lower, during the operative period of the policy.</p> <p>➤ Policy is silent on time period for the recruitment of 50% employees</p> <p>➤ What should be the minimum IT and non IT ration for total payroll Employment?</p>	<p>Definitions</p> <p>“Expansion and/or Diversification” means an existing unit in Gujarat undertaking seat capacity expansion such that total seat capacity as well as head count of employees on its payroll goes up by 50% of current seat capacity or by 1000 persons, whichever is lower,-within a period of</p> <p>a. one year if the GFCI undertaken is less than 1 crore; and</p> <p>b. two years if the GFCI undertaken is more than 1 crore.</p> <p>c. No consideration to IT/non IT ration.</p> <p>d. An existing unit will be eligible for availing assistance for expansion/diversification for up to three times during the operative period of policy provided the requirement as defined for expansion and /or diversification in para 1.5 of the scheme are met and, of the previously set up capacity, at least 80% seats are currently occupied.</p> <p>e. For considering eligibility of subsequent expansion, seat capacity post last expansion undertaken will be considered as base seat capacity for computing 50% seat capacity addition.</p> <p>f. If the head count falls below the eligible count, the assistance will continue only upto two quarters with maximum fall of 10%. If the head count falls continuously for third quarter or fall more than 10%, all further assistance will be stopped and previously given assistance will be recovered on pro-rata basis.</p> <p>g. Hence if employee count add is not 50% but becomes 40% only post expansion, then only 80% of capex / stamp duty / Registration fee</p>