

GOVERNMENT OF PUNJAB
DEPARTMENT OF INDUSTRIES AND COMMERCE
(INDUSTRIES BRANCH)

Notification

The 10th December, 2009

No.16/6/09-AS3/2112 – The Governor of Punjab is pleased to make following amendments in One Time Settlement Policy for the loanee units of Punjab Financial Corporation notified vide No.16/6/09-AS3/380 dated 2nd March, 2009 and also to make OTS for settlement of Interest Free Loan cases a part of this Policy as per details given below:-

I. OTS for Loanees of PFC

Following categories will be covered under OTS Scheme:-

- Riot Affected Borrowers : Outstanding Principal plus expenses plus interest @ 4% (compounded half yearly) from 1.4.1992
- Loans where Companies under liquidation : Outstanding Principal plus expenses plus interest @ 9% (compounded half yearly).

However, OTS amount will not be less than outstanding Principal plus expenses.

Amendments to the Eligibility Clause are made as under:-

- All NPA accounts as on 31st March, 2008 except profit making units.

However, cases jointly financed by PFC and PSIDC will be governed by the definition as prescribed in the OTS Policy for loans of PSIDC/PAIC, 2009.

- Policy to be open till 31.12.2009.
- If the borrowers make lump sum payment within 90 days, no interest will be charged on the OTS amount, and 5% rebate will be given on the OTS amount. However, the OTS (net of rebate) shall not be below the outstanding principal and expenses, in any case.

Following Clauses are added in the Eligibility:-

- Policy to be applicable to bridge loan cases also.
- OTS amount will be worked out on the basis of loan amount

disbursed and not sanctioned.

- Multiple loans to be settled simultaneously. However, where all the mortgaged assets of the loanee concern/company/guarantors have already been sold, a guarantor, who is not promoter will be allowed to settle his/her share of liability independently without linking to the settlement of liability by the remaining guarantors/promoters. Provided such guarantor has no linkage by way of family relationship, joint property or business interest with other guarantors/promoters. The settlement as above will be qua such guarantor and not the loanee concern/company whose liability will remain as such. If tangible assets are available in the name of the guarantor, then OTS amount will be calculated with interest @ 12% in accordance with Clause II(d) of OTS Policy for loans of PSIDC/PAIC.

The benefit towards OTS amount will be given from the date of actual credit of amount in the account of the Corporation.

II. **TADA Cases**

Entire outstanding amount of Rs.7571.62 lac in 74 cases shall stand waived off.

Outstanding Principal plus 50% simple interest will be reimbursed by the State Government to the PFC.

III. **OTS for Loanees of Interest Free Loan under Industrial Policies of Department of Industries**

In case a loanee deposits the outstanding Principal amount, the penal interest shall stand waived off.

This Policy will be open till 31st December, 2009.

Dated : 8.12.2009
Place : Chandigarh

S.S. CHANNY,
Principal Secretary to Government of Punjab,
Department of Industries and Commerce

Endst.No. 16/6/09-AS3/2113

Dated:10.12.2009

A copy with a spare copy is forwarded to the Controller, Printing & Stationary, Punjab, Chandigarh for Publication of this Notification in the Extra Ordinary Gazette of the State Government and Supply 100 spare copies there of to this Department for record alongwith endorsements.

Sd/-
Additional Secretary to Government of Punjab
Department of Industries & Commerce

Endst.No. 16/6/09-AS3/2114

Dated: 10.12.2009

A copy is forwarded to the Accountant General, Punjab (Audit Section) for information & necessary action.

Sd/-

Additional Secretary to Government of Punjab
Department of Industries & Commerce

Endst.No. 16/6/09-AS3/2115

Dated: 10.12.2009

A copy is forwarded to Director of Industries & Commerce, Punjab with a request to send a copy of Notification to all concerned Departments/ Agencies and Organizations for information.

Sd/-

Additional Secretary to Government of Punjab
Department of Industries & Commerce

Endst.No.CC/PFC/OTS/2009/

Dated:

A copy is forwarded to the following for information:-

1. Principal Secretary to Chief Minister for kind information of Hon'ble Chief Minister, Punjab.
2. Secretary/LGICM for kind information of Hon'ble Local Government, Industries & Commerce Minister, Punjab.
3. Secretary to Chief Secretary for kind information of Chief Secretary, Punjab, Chandigarh.
4. Principal Secretary to Government of Punjab, Department of Finance, Chandigarh.
5. Secretary General Coordination, Cabinet Affairs Branch for information w.r.t. their

Deputy Director (Policy)
for Principal Secretary Industries & Commerce, Pb.

Endst.No.CC/PFC/OTS/2009/

Dated:

A copy is forwarded to the following with a request to give wide publicity to the Policy by giving written notice to all concerned loanees:-

1. Managing Director, Punjab State Financial Corporation, Chandigarh.
2. Joint Director (Credit), Department of Industries & Commerce, Punjab, 17 Bays Building, Sector 17, Chandigarh.

Deputy Director (Policy)
for Principal Secretary Industries & Commerce, Pb.