

**Government of Punjab  
Department of Industries & Commerce**

**Notification**

**The 19<sup>th</sup> November, 2010**

No. CC/OTS/2009/2070            The Governor of Punjab is pleased to make the following amendments in “One Time Settlement Policy for Equity-PSIDC/PAIC-2009 and One Time Settlement Policy for Loan - PSIDC/PAIC-2009 notified vide No.15/3/09-AS6/391, dated 2<sup>nd</sup> March, 2009 and amended vide notification No 15/3/09-AS6/2116 dated 10<sup>th</sup> December 2009..

**ONE TIME SETTLEMENT POLICY FOR EQUITY- “PSIDC/ PAIC- 2009”**

**I.     OTS Policy for Equity – PSIDC/PAIC, 2009**

**1.     Clause-III (a) is amended as under:-**

**Terms of Payment**

a)     **Receipt of applications-** With in 90 days from the date of this Notification. This OTS Policy is close ended. No applications will be entertained after the last date mentioned herein.

**2.     Clause-III (d) is amended as under:-**

**Lump-sum Payment** – Collaborators/Promoters opting for lump-sum payment any time within 90 days of conveying of acceptance by PSIDC/ PAIC shall be eligible for rebate of 5% on the OTS amount. No interest shall be charged on the lump-sum payment provided it is made within 90 days of the date of acceptance of the proposal by PSIDC/PAIC. However, interest @ 13.20% p.a. shall be charged from the cut off date till the date of conveying of acceptance. Collaborators/Promoters who had opted for repayment period of two years, can make pre-payment at any stage and shall be eligible for rebate @ 2% on the remaining amount of OTS. However, the recoverable OTS amount finally calculated after rebate etc. shall not in any case be less than the outstanding principal plus expenses.

**3.     Clause V (3) – “Other terms and conditions” – stands deleted for new proposals.**

**4.     Clause (V) 6 is amended as under:-**

The collaborators/promoters of loss making companies which paid at least

50% of previous OTS amount not later than 90 days of the outer/final date of payment shall be given another opportunity to settle their accounts. They shall be charged interest @ 14.40% (compounded quarterly) from the outer date of previous OTS settlement for outstanding amount as per previous settlement. However, all other payment terms and conditions shall be as mentioned above.

**5. Additional Sub Clauses No.8, 9 and 10 of Clause V are added as under:-**

8. Collaborators who have deposited 15% of the tentative OTS amount along with application under the OTS Policy notified by the State Govt. on 2<sup>nd</sup> March, 2009 but failed to deposit another 15% and further installments in accordance with the OTS policy, may also be considered under OTS Policy and the payment made by them along with their initial proposals may be considered towards extended OTS. However, interest @ 13.20% per annum (compounded quarterly) shall be charged from the cut off date (as already decided under the aforesaid OTS policy). All other payment terms & conditions shall remain the same.
9. In case of non compliance of any of the clauses of the sanction letter of OTS conveyed to the Collaborators/Promoters, the Corporation shall be at liberty to cancel the same.
10. Collaborators/Promoters/Companies who have availed the facility of Equity Investment/Direct Subscription alongwith term loan or any other loan shall have to settle the dues of both, loan accounts and equity investment/direct subscription under the OTS policy. The security documents/transfer of shares shall be released/made only after settlement of all the loan accounts and buy-back of equity investment/direct subscription made by the Corporation.

**II. OTS policy for loans ---PSIDC/ PAIC- 2009**

**6. Clause-III (iv) is amended as under:-**

**Lump-sum Payment-** Companies opting for lump-sum payment

within 90 days of conveying of acceptance by PSIDC/PAIC shall be eligible for rebate of 5% on the OTS amount. No interest shall be charged on the lump-sum payment provided it is made within 90 days of the date of acceptance of the proposal by PSIDC/ PAIC. However interest @ 13.20% p.a. shall be charged from the cut off date till the date of conveying of acceptance. A loanee company which had opted for repayment period of 2 years can make pre-payment at any stage and shall be eligible for rebate @ 2% on the remaining amount of OTS.

However, recoverable OTS amount finally calculated after rebate etc. shall not in any case be less than the outstanding principal plus expenses.

**7. Clause V (iv) – “Other terms and conditions” – stands deleted for new proposals.**

**8. Clause V (vi) is amended as under:-**

While calculating the OTS amount the credit for the amount deposited by the companies with PSIDC/ PAIC under the previous OTS/Settlement and lying in “No Lien Account” shall be given from the date it was transferred to the Corporation’s bank account. However, the OTS amount shall not be less than the outstanding principal plus expenses. In case of multiple loans while calculating the OTS amount, the amount lying in the No Lien Account shall be adjusted on pro-rata basis in proportion of outstanding principal on the date it was transferred to the Corporation’s bank account.

**9. Clause V(viii) is amended as under:-**

Companies which had entered into settlements in the past and had paid at least 50% of the amount of PSIDC/PAIC not later than 90 days of the outer/final date of payment shall be given another opportunity to settle their accounts. They will be charged interest @ 14.40% per annum (compounded quarterly) from the outer date of previous OTS settlements for the outstanding amount as per

previous settlement. However, all other payment terms and conditions shall be as mentioned above.

**10. Additional Sub Clauses No.(xi), (xii), (xiii) and (xiv) of Clause V are added as under:-**

- (xi) Companies which had deposited 15% of the tentative OTS amount along with application under the OTS Policy notified by the State Govt. on 2<sup>nd</sup> March, 2009 but failed to deposit another 15% and further instalments in accordance with the OTS policy, may also be considered under OTS Policy and the payment made by them along with their initial proposals may be considered towards extended OTS. However, interest @ 13.20% per annum (compounded quarterly) shall be charged from the cut off date (already decided under the aforesaid OTS Policy). All other payment terms & conditions shall remain the same.
- (xii) In case of non compliance of any of the clauses of the sanction letter of OTS conveyed to the company, the Corporation shall be at liberty to cancel the same.
- (xiii) Under any circumstances, there will be no refund of any excess payment in case of closed OTS accounts and title deeds have been released.
- (xiv) The Collaborators/Promoters of a loanee company which has also availed the facility of Equity Investment/Direct Subscription shall have to settle the dues of equity investment/Direct subscription under the OTS policy for Equity - 2009, alongwith settlement of loan account(s) by the Company. The security documents/transfer of shares shall be released/made only after settlement of all the loan accounts and buy-back of equity investment/direct subscription.

Dated: 15.11.2010  
Place: Chandigarh.

S. S. Channy  
Principal Secretary to Government of Punjab  
Department of Industries & Commerce.

Endst.No. CC/OTS/2071

Dated:19.11.2010

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. CC/OTS/2072

Dated:19.11.2010

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. CC/OTS/2073

Dated:19.11.2010

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/OTS/ 5443-47

Dated:22.11.2010

A copy is forwarded to the following for information and necessary action :-

1. Principal Secretary to Chief Minister, Punjab for kind information of Hon'ble Chief Minister,Punjab
2. Spl. Secretary/LGICM for kind information of Hon'ble Local Government, Industries & Commerce Minister, Punjab.
3. Secretary to Chief Secretary for kind information of the Chief Secretary, Punjab, Chandigarh.
4. Principal Secretary to Government of Punjab, Department of Finance.
- 5 Secretary General Coordination, Cabinet Affairs Branch, for information w.r.t. their ਐ:ਵਿ:ਪੱ:ਨੰ:1/270/2010-1 ਕੈਬਨਿਟ/4929, ਮਿਤੀ 9-11-2010

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

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 Industrial Development Corporation, Chandigarh
2. Managing Director, Punjab Financial Corporation, Chandigarh.
3. Managing Director, Punjab Agro Industries Corporation, Chandigarh.
4. Joint Director (Credit) Department of Industries & Commerce, Punjab, 17-Bays Building, Sector-17, Chandigarh.

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