

373
8/2/12

ANNEXURE

ONE TIME SETTLEMENT SCHEME FOR MARGIN MONEY LOAN

The scheme shall be in force till 31/03/2012 from the date of the Government Order.

ELIGIBILITY :

- I. The scheme of OTS shall be applicable to all period over cases ie where the normal repayment period spread over 8 years and 3 months from the date of disbursement of the Margin Money Loan stands expired as per the loan agreement executed by the loanee/enterprise on the date of applying for OTS. Normal repayment period is spread over 8 years and 3 months. ie an enterprise/loanee become period over case only after 8 years and 3 months.
- II. Loanees/Industrial enterprises who/that have availed Margin Money Loan /loans as per the terms of erstwhile schemes of Margin Money Loan issued vide G.O. (MS) No. 232/79/ID dated 22/03/1979 and G.O. (MS) No. 170/93/ID dated 28/12/1993 and G.O. (MS) No. 102/95/ID dated 06/07/1995 are eligible for the present OTS.

The concessions to be extended to each category are indicated as follows:

CATEGORY NO. I :-

If the original loanee has expired and the enterprise is defunct and there is no asset at its disposal as well as assets of it does not exist, the entire amount of Principal, Interest and Penal Interest will be written off /waived as a special concession, provided any legal heirs/surviving family member submits application for closure of loan account along with certificate of death issued by the competent authority. Decision of the Director of Industries and Commerce will be final for the purpose.

CATEGORY NO. II:-

Industrial enterprises which do not exist and are totally defunct and industrial assets are not available will be permitted to settle and close the loan account by making a one time payment of the remaining principal due in lump. The entire amount of interest and penal interest due will be waived.

CATEGORY NO. III:-

If the original loanee has expired and the enterprise is functioning, the legal heirs/surviving family members will be permitted to settle and close the loan account by making one time payment of the remaining amount of principal due in lump. 50 % of the interest and penal interest due will be waived.

CATEGORY NO. IV:-

Loanee/Industrial enterprises who have availed of Margin Money Loan /loans and where the enterprise set up with such loans are working but with a negative net worth and running on loss for the last three accounting years, as evidenced by audited balance sheet duly recommended by the Manager, District Industries Centre, will be permitted to settle and close the loan account by making one time payment of the entire amount of principal due and 50 % of the interest and penal interest in lump as on the date of OTS.

CATEGORY NO. V:-

In the case of closed down enterprises and registered as sick under SURP, the following concessions will be extended, provided the enterprise undertakes revival programme and resume production/operation before 31/03/2012.

- a) 50% of principal amount shall be paid in three equal installments within one year. Balance will be deferred for 2 years. Amount of interest and penal interest will be waived.
- b) In the above cases, if remittances are not made within the stipulated date, all the OTS concessions offered will stand automatically withdrawn and the beneficiary shall remit all the dues as per the original terms of the loan.

CATEGORY NO. VI:-

Loanee/enterprises who have availed Margin Money Loans/and where the enterprise set up with such loans are now totally defunct beyond revival in the present conditions as duly certified by the Manager, District Industries Centre will be allowed to settle/close the loan account by making a One time payment of the amount of principal due in lump and 50 % of the interest and penal interest as on the date of OTS will be waived.