

No. 18364 /I.,
ISI-147/04 (Pt)

GOVERNMENT OF ORISSA
INDUSTRIES DEPARTMENT

....
RESOLUTION

Bhubaneswar, dated 21.10.2005

Sub: Rule for One Time Settlement Scheme (OTS) 2005 for Soft loan, Sales Tax loan & Electricity Duty loan for small scale Industries- regarding.

The SSI units of the State have availed different types of loan from Government like Soft loan, Sales Tax Loan and Electricity Duty loan. Many of the SSI units have defaulted in repayment of these loans. As a result interest have been charged on them from the date of disbursement resulting in filing of a number of certificate cases in different courts. Despite this the recovery position was not very encouraging.

Considering the importance of revival of SSI sector, Government have been pleased to approve Rule for One Time Settlement of the Soft Loan, Sales Tax Loan and Electricity Duty Loan availed by the Small Scale Industries as per the scheme as enclosed.

SSI units, which have paid at least 25% of the principal amount as on the date of notification of this Scheme will be entitled to pay the balance principal outstanding amount and such units will be eligible for waiver of 100% interest. Those SSI units who have paid less than 25% of the principal amount by the date of notification of the OTS, shall be eligible for the OTS provided they pay the balance principal amount and 10% of the interest outstanding as on date of application and such units shall be eligible for waiver of 90% of the interest outstanding as on date of application.

The units interested to avail one time settlement will apply in plain paper within one month of issue of the notification for this scheme to the General Manager/ Project Manager, DICs (separately for Soft Loan/Sales Tax Loan , E.D Loan) alongwith the down payment of one third of balance principal amount outstanding as on date of application. The General Manager/ Project Manager, DICs will forward the application after scrutiny immediately as and when received by him to Director, Industries, Orissa expeditiously for consideration and disposal of the applications.

The entire OTS amount as would be communicated by Director, Industries must be paid by 31.3.2006.

ORDER: Ordered that the Resolution be published in the next issue of the extra ordinary gazette of Orissa and copy there of be forwarded to all Departments of Government/ all Heads of Departments/ Accountant General (A&E), Orissa, Bhubaneswar/all R.D.Cs/all Collectors.

By order of Governor

D.P.Mohapatra
Addl. Secretary to Government

Memo No. 18365 /I., Dt.21.10.2005

Copy forwarded to the Director, Printing & Stationery and Publication, Orissa, Cuttack (Khapuria) with request to publish the notification in the extra ordinary gazette of Orissa & supply 50 copies thereof to this Department.

Under Secretary to Government

Memo No. 18366 /I., Dt.21.10.2005

Copy forwarded to all Departments of Government/all Heads of Departments/ Accountant General (A&E), Orissa/all Revenue Divisional Commissioner, Orissa/ all Collectors & District Magistrates/ all Public Sector Undertakings of Industries Department/ all General Managers/ Project Managers for information & necessary action.

Under Secretary to Government

Memo No. 18367 /I., Dt.21.10.2005

Copy forwarded to the Principal Secretary to Chief Minister, Orissa/P.S. to Minister, Industries, Orissa/ Sr. P.S. to Chief Secretary, Orissa/ P.S. to Development Commissioner, Orissa for kind information of Hon'ble Chief Minister, Orissa/ Minister, Industries, Law & Rural Development, Orissa/ Chief Secretary, Orissa / Development Commissioner respectively.

Under Secretary to Government

Memo No. 18368 /Dt.21.10.2005

Copy forwarded to the Deputy Secretary to Government, P.A. Deptt. for information.

Under Secretary to Government

One Time Settlement Scheme 2005
for Soft Loan, Sales Tax Loan and Electricity Duty Loan

1. **Title :**

The scheme shall be known as “**One Time Settlement (OTS) Scheme, 2005 for Soft Loan, Sales Tax Loan and Electricity Duty Loan**”.

2. **Validity of the Scheme :**

The scheme will remain valid till 31.12.2005.

3. **Eligibility Conditions :**

(a) All SSI units who had availed Soft Loan/Sales Tax Loan/ Electricity Duty Loan and paid atleast 25% of the principal amount as on the date of notification of the OTS scheme shall be eligible under the scheme to pay the balance principal outstanding through Bank Draft drawn in favour of Director of Industries, Orissa at Cuttack as indicated in para 4. Such SSI units will be given a **waiver of 100% interest** provided the principal amount is paid as per this scheme.

(b) Those who have paid less than 25% of the Principal amount by the date of notification of this scheme shall also be eligible for the OTS, provided they pay the balance principal amount and 10% of interest outstanding as on date of application as provided in para 4. Such SSI units will be eligible for waiver of 90% interest outstanding.

4. **Procedure:**

(a) The units interested to avail one time settlement will apply in plain paper within one month of issue of the notification for this scheme to the General Manager/ Project Manager, DICs (separately for Soft Loan/Sales Tax Loan , E.D Loan) alongwith the down payment of one third of balance principal amount outstanding as on date of application. The General Manager/ Project Manager, DICs will forward the application within 15 days after due scrutiny to Director, Industries, Orissa for consideration of applications.

Director of Industries, on receipt of these applications, shall accept the O.T.S.

unless:-

(i) The applicant is a willful defaulter;

(ii) The applicant has not made the down payment of one third of balance principal outstanding along with the application for OTS.

- (b) Director of Industries shall communicate his decision to the applicant within 15 days of receipt of application from General Manager, DIC. If the application is rejected then reason for rejection will be communicated. If the application is accepted then Director of Industries shall intimate the applicant in the format as given in the appendix.
- (c) In case the settlement is accepted, the down payment will be adjusted against the settlement dues. However, if the OTS is not accepted due to any reason, the down payment shall be adjusted against the principal outstanding. Settlement amount as communicated by Director, Industries must be paid by 31.3.2006.
- (d) On availing of OTS scheme, the limitation for recovery will begin to run afresh from the date of settlement -offer under the OTS scheme.
- (e) On settlement of the loan amount under OTS scheme, the due shall be deemed to be recoverable on and from the date of settlement. In case of default in payment of the dues as settled under OTS scheme, the total amount outstanding prior to OTS will be recoverable after adjusting the amount, if any, paid under the scheme towards the Loan.
- (f) The Director of Industries / The General Manager / The Project Manager, DICs are authorised to maintain the loan ledger at their respective end for verification of Audit.
- (g) The amount collected through OTS scheme will be deposited in Government Treasury immediately in appropriate head of account.
- (h) If the principal amount outstanding is less than Rupees five lakhs on an applicant then Director of Industries may delegate the power of disposing of the OTS application in the manner provided in sub-para (a).

5. Appeal :-

In case the applicant is aggrieved by the decision of Director of Industries on OTS application, he may appeal to Secretary, Industries Department against the decision of Director of Industries. But no appeal shall be entertained unless the applicant had made down payment of at least one third of balance outstanding principal dues along with OTS application.

- 6. Industries Department shall issue necessary clarification in case of doubts.

APPENDIX

(Decision of Competent Authority on the application for OTS of Soft loan, Sales Tax Loan & Electricity Duty Loan)

To

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(Applicant for OTS)

With reference to your application for OTS filed on _____, this is to inform you that an amount of Rs. _____ towards principal and Rs. _____ towards interest on account of _____ loan was recoverable from you prior to filing of your OTS application. Your application for OTS is hereby accepted as per Industries Department Notification No. _____ dated _____ with following details and terms & conditions :-

- (i) Settlement amount (Principal) - Rs. _____
- Deduct amount paid as down Payment with application. - Rs. _____
- Balance principal due - Rs. _____
- Interest payable (if applicable) - Rs. _____
- Total settlement amount - Rs. _____.

This offer of OTS is subject to condition that you will pay the amount mentioned above within the date _____ failing which this offer shall be treated as cancelled / withdrawn and then total amount outstanding prior to the OTS principal shall be recovered from you as per law.

The payment shall be made in shape of Bank Draft / Demand Draft payable to Director of Industries on any of the Nationalised Bank at Cuttack.

It is hoped that you will avail this opportunity of OTS to clear the due of the Government.

Director of Industries /Competent Authority

