

Panaji, 3rd September, 2014 (Bhadra 12, 1936)



SERIES I No. 22

# OFFICIAL GAZETTE

## GOVERNMENT OF GOA

PUBLISHED BY AUTHORITY

### EXTRAORDINARY

#### GOVERNMENT OF GOA

Department of Mines

Directorate of Mines &amp; Geology

#### Notification

DMG/SCHEME/LOAN/1781

Mining has been one of the important economic sectors of the Goan economy. The Supreme Court ban of Mining in Goa in September, 2012 has resulted in stoppage of all mining activities in the entire State. This has resulted in financial distress for all the stakeholders. The borrowers who availed credit facilities, for acquisition of barges, trucks, tippers and mining machinery/equipment operating in the mining sector, from various Financial Institutions (Public, Private, Co-operative Societies, NBFC's and EDC) have been unable to meet their repayment commitments. The NPAs (Non-performing Assets) of the Banks/Financial Institutions pertaining to the mining loans have mounted substantially, especially in the co-operative sector.

Taking into consideration the scenario, the Government has requested the financial institutions not to take coercive measures to recover their dues from the borrowers, until the restoration of the mining activities. They have honoured the request of the Government and desisted from taking action and

considered rescheduling and settlement of some loan accounts of the borrowers by granting waiver.

The Financial Institutions have now agreed to consider one time settlement of the loans of the borrowers in the mining sector and accordingly are working out One Time Settlement Scheme to be offered to the borrowers in the mining sector, who would like to settle their loans with them. The Government on its part has committed to provide financial relief to the borrowers who for no fault of theirs are defaulters with the banks and are in financial distress. The Hon'ble Chief Minister in his Budget Speech had announced financial assistance and provided an amount of Rs. 150.00 crore as mining relief fund to support the mining affected people. In addition to the assistance of Rs. 150 crore, a provision of Rs. 250 crore has been made in the Supplementary Budget for the Debt Relief Scheme. The Government has decided to extend subsidy to borrowers of Banks/Institutions related to mining activities, who come forward to settle these liabilities with the Financial Institutions.

I. *Short title.*— (i) The scheme shall be called as “**Debt Relief Scheme for mining affected borrowers of Financial Institution**”.

(ii) The scheme shall come into force from the date of its notification in the Official Gazette. The scheme shall remain in force for a period of six months or such further

extended period as may be notified by the Government.

II. *Definitions.*— (i) “Borrower” means any Individual/Partnership Firm who have availed term loan from any Financial Institution located in Goa for purpose of purchase of Tipper/Truck/Barge & Mining machinery before 30-09-2012 for using in the mining activities in the State of Goa.

(ii) “Financial Institution” means any Nationalized or Private bank or Co-operative bank located in Goa including EDC Limited, NBFC's and Societies registered with Registrar of Co-operative Societies, Government of Goa who have extended loans to borrowers in Goa for purchase of Truck/Tipper/Barge/Mining machinery for the purpose of mining activities.

(iii) “Outstanding” means the outstanding loan amount of the borrower with the Financial Institution, as on 30-09-2012 or as on 30-06-2014, whichever is lower.

(iv) “Subsidy” means the financial assistance extended by the Government as its contribution towards the One Time Settlement offered by the Financial Institution and accepted by its borrower.

(v) “OTS Scheme” means the scheme of one time settlement extended by the Financial Institution to its borrower for settlement of their loan and approved by Government for purpose of this scheme.

(vi) “Settlement Amount” means the amount calculated by the Financial Institution as per its OTS Scheme for settling of the loan liabilities of the borrower, after granting the waiver.

(vii) “Screening Committee” means the Screening Committee constituted under the scheme.

(viii) “Family” means and includes father/mother/spouse/son below the age of 21 years/unmarried daughter of the borrower.

III. *Eligibility.*— The borrower shall fulfill the following conditions to be eligible to avail the benefits under the scheme:—

(i) The borrower should have availed loan from any Financial Institutions on or before 30-09-2012 for purchase of Truck/Tipper/Barge/Mining machinery for the purpose of mining activities within the State.

(ii) The borrower should apply for and avail the OTS Scheme from Financial Institutions against their outstanding loans and their account being outstanding as on 30-06-2014.

IV. *Quantum of Subsidy.*— (1) The Government shall extend subsidy against settlement amount subject to maximum as prescribed below:—

Category of loan	Percentage of subsidy on settlement amount	Maximum subsidy
(1)	(2)	(3)
Truck/Tripper	35%	15 Lakh
Machinery	35%	20 Lakh
Barges	35%	35 Lakh

i. The entitlement of subsidy under scheme shall be limited to only one borrower per family under only one of the above category.

ii. Subsidy shall be restricted to maximum three trucks/tippers/machinery/barges.

iii. The quantum of subsidy shall be restricted to the percentage mentioned in column (2) or maximum amount mentioned in column (3), whichever is less.

iv. Subsidy shall not be extended to the other loans viz., working capital, housing, car, personal loans etc. availed by the borrower.

V. *Nodal Agency.*— (i) EDC Limited (EDC) is designated as the “Nodal Agency” for implementation of the scheme.

(ii) The Government shall deposit required funds with EDC to finance the Scheme. EDC

may alternatively raise funds as directed by the Government. All such borrowings along with interest and other operational expenses (1% of subsidy for loan settlement disbursed) incurred by the Nodal Agency shall be reimbursed by the Government.

(iii) The Nodal Agency shall maintain these funds in a separate bank account and release the payments to the Financial Institutions directly after completion of the required procedure/formalities and sanction by the Screening Committee.

(iv) The Government shall constitute a Screening Committee comprising of the following:—

(1) An Officer of EDC Ltd. not below the rank of Chief General Manager as the Chairman.

(2) An Officer of Directorate of Mines & Geology, Government of Goa not below the rank of Assistant Director.

(3) An Officer of Finance Department, Government of Goa not below the rank of Under Secretary.

(4) Two Chartered Accountants to be appointed by the Government of Goa.

VI. *Procedure.*— (1) The Financial Institution shall announce the OTS Scheme for settlement of mining loans.

(2) The borrower shall accept the OTS and shall submit an application to the Financial Institution to claim the subsidy under the scheme as per **Annexure I**.

(3) The Financial Institution shall then forward the borrower's application, providing the details in **Annexure II** to the Nodal Agency for approval of subsidy under the scheme.

(4) The Nodal Agency shall verify/scrutinize the claims submitted by the Financial Institutions and place the same before the Scrutiny Committee, for approval of the subsidy quantum.

(5) The Nodal Agency shall then communicate the approval of quantum of subsidy to the financial institution/borrower.

(6) The borrower shall pay the balance settlement amount (excluding the subsidy) to the financial institution.

(7) After receipt of the balance settlement amount from the borrower, the Financial Institution shall raise the demand for subsidy from the Nodal Agency, as per **Annexure III**.

(8) The Nodal Agency shall settle the claim of the Financial Institutions within 45 days of receipt of the claim. No interest shall be charged on the subsidy portion of the settlement amount by the financial institution.

(9) The Financial Institution on receipt of the payment from the Nodal Agency shall close the loan account of the borrower, issue the "No Dues Certificate" and release the securities/surety/guarantor towards the settled account.

(10) The Financial Institutions shall submit their claims on weekly basis.

(11) The Nodal Agency shall submit periodical reports to the Government and file claims for release of funds required for operation of the scheme.

VII. *Other Terms and Conditions.*— (i) This scheme shall not be applicable to borrowers engaged in Mining/Extraction/Trading of Minerals/Lease holders.

(ii) The maximum of subsidy to an individual in any capacity as a member of a family or a sole proprietor or a partner in a partnership firm shall not exceed the maximum amount of subsidy allowed under the scheme.

(iii) The scheme shall not be applicable to borrowers of Financial Institutions who have availed loans for personal, housing, etc.

(iv) The scheme shall not be applicable to borrowers of Financial Institutions who have

shifted their barge/truck/tippers/machinery/  
/equipment outside Goa.

(v) The loan extended by the Financial Institution shall not include loan against Fixed Deposit Receipts.

(vi) The outstanding amount of the borrower calculated by the Financial Institution shall not include any interest dues payable or capitalized by the borrower for the period prior to 30-06-2012. This prior period interest shall be paid by the borrower to the Financial Institution and Financial Institution shall give the undertaking in each of settled cases.

(vii) The Financial Institutions shall not reverse any amounts already adjusted in the loan accounts of the borrowers towards the loan principal amount.

(viii) Each Financial Institution shall thoroughly examine the eligibility of each of their borrower and after proper scrutiny/  
/check submit their proposals to the Nodal Agency.

(ix) In case the Financial Institutions claiming the benefit on behalf of the borrower under this scheme, are found at a later date to have claimed the same in violation of the terms of the scheme, by misrepresentation or miscalculation, the amount of subsidy claimed by them shall be repayable forthwith by the Financial Institution with interest at existing Base Rate/PLR of that Financial

Institution per annum and shall become recoverable as arrears of land revenue.

(x) Government reserves the right to foreclose the scheme before expiry of the time period.

VIII. *Monitoring of the Scheme.*— (i) The Nodal Agency shall submit monthly report of implementation of the scheme to Secretary (Mines).

(ii) Secretary (Mines) shall hold periodical meetings to monitor the implementation of the scheme and resolve any bottlenecks in its implementation.

IX. *Removal of difficulties.*— The Government shall be empowered to issue instructions for removal of any difficulty which may arise out of implementation of this scheme.

This issue with the approval with concurrence of the Finance (Expenditure) Department vide their U. O. No. 2031/F dated 28-08-2014

By Order and in the name of the Governor of Goa.

*Prasanna A. Acharya*, Director of Mines & Geology/Ex-Officio Joint Secretary.

Panaji, 2<sup>nd</sup> September, 2014.

ANNEXURE I

APPLICATION FORM TO BE SUBMITTED BY BORROWERS TO THE BANKS/FINANCIAL INSTITUTIONS

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Pin code: \_\_\_\_\_

Date: \_\_\_\_\_

CERTIFICATE

I/We hereby declare that the particulars given in the attached application form are furnished for the purpose of securing subsidy from EDC Limited under DEBT RELIEF SCHEME FOR MINING AFFECTED BORROWERS OF THE STATE OF GOA and are to the best of my/our knowledge and belief true and correct, and that no material fact(s) has/have been concealed or withheld.

Signature \_\_\_\_\_

Name \_\_\_\_\_

(Proprietor/Partner/Director)







Application form to be submitted by borrowers to the Banks/Financial institutions

2.6) Type of Loan (Please Tick ✓)  
(Enclose copy of sanction letter)

Term - Loan

Working Capital

2.7) Sanction Date:

2.8) Sanction Amount:

₹

(Amounts to be rounded off to the nearest rupee)

2.9) Disbursed Amount:

₹

2.10) First Disbursement Date:

2.11) Last Disbursement Date:

2.12) Rate of Interest:

.   %

2.13) No. of installments:

2.14) Repayment type (Please Tick ✓):

Monthly

Quarterly

2.15) First Installment Date:

**3. Loan position as on 30/09/2012:** (Amounts to be rounded off to the nearest rupee)

3.1) Principal Balance:

₹

3.2) Principal dues:

₹

3.3) Interest Dues:

₹

3.4) Interest for 30/09/2012:

₹

3.5) Interest charged (from 01/10/2012 to 30/06/2014)

₹

3.6) Amount paid (from 01/10/2012 to 30/06/2014)

₹

**4. Loan position as on 30/06/2014:** (Amounts to be rounded off to the nearest rupee)

4.1) Principal Balance:

₹

4.2) Principal dues:

₹

4.3) Interest Dues:

₹

4.4) Interest for 30/06/2014:

₹



Application form to be submitted by borrowers to the Banks/Financial institutions

**5. Loans Availed by other Family\* members:**

Sr. No	Name of the Family Member	Relation	Age	Name & Address of Bank	Account No.	Amount Sanctioned	Amount disbursed	Amount as on 30/09/2012	Amount as on 30/06/2014
1.									
2.									
3.									
4.									
5.									

\* Family includes father/mother/spouse/son below age of 21 yrs. /unmarried daughter of the borrower

**6. Remarks**

Application form to be submitted by borrowers to the Banks/Financial institutions

## **7. Instructions**

- 7.1) In case of Partnership Firm, please enclose copy of Partnership deed and registration of firm; and in case of companies, enclose Memorandum & Articles of Association.

Also enclose shareholding pattern as on 30/09/2012 & 30/06/2014.

In case of change in Partnership or shareholding of the company between 30/09/2012 & 30/06/2014, please provide the details separately and state in remarks.

- 7.2) Copy of Invoice of truck/tipper/mining machinery/equipment.  
7.3) Copy of Registration Certificate issued by the Transport Authority /Captain of Ports/Other authority concerned.  
7.4) Details of Proprietor/Partner/Director:  
a. Copies of Permanent Account Number – PAN Card;  
b. Copies of AADHAR Card ;  
c. Copies of Election Photo Identity Card (EPIC) ;  
d. Copies of Ration Card.

## **DECLARATION**

I/We undertake that all the above information furnished by me/us is true; that I/we have no other borrowings or from my/our family members except as indicated above; and that I/we shall furnish any further information that may be required by you in connection with my/our application; and this information available with you may be exchanged by you with any agency you may deem fit (Government of Goa, EDC Limited, RBI, CIBIL or any other agency).

I/We further undertake that in case at a later date my/our ineligibility of the subsidy claimed by me/us is observed, I/we shall reimburse the entire amount along with interest at Base Rate/PLR.

Date:

Place:

Signature of the Borrower

Name: \_\_\_\_\_





**CERTIFICATION OF BANK/FINANCIAL INSTITUTION**

We hereby certify that the application form submitted by \_\_\_\_\_ has been scrutinized and checked for eligibility under **DEBT RELIEF SCHEME FOR MINING AFFECTED BORROWERS OF THE STATE OF GOA**. We also further certify that the information pertaining to the borrower submitted by him/them in the application is also as per our records except:

Sr. No.	Details

We also further certify that all the information furnished by us is true and we shall furnish additional information if required. We further certify that the borrower has remitted his contribution amounting to ₹ \_\_\_\_\_

(Rupees \_\_\_\_\_) as per the scheme and the balance amount receivable by us towards settlement of loan account is only ₹ \_\_\_\_\_  
(Rupees \_\_\_\_\_)

On receipt of this amount, the loan account of the above borrower shall stand closed and settled. And we shall issue a No-Dues certificate to the borrower and the Government.

We certify that in case at a later date the above subsidy claimed is found to be ineligible by the Government, the entire amount along with interest at Base Rate/PLR shall be reimbursed by us.

Date:

Place:

**Authorised Signatory  
of the Bank  
(along with Seal)**

**ON THE LETTERHEAD OF THE FINANCIAL INSTITUTION**

To,  
**The Managing Director**  
EDC Limited  
First Floor, EDC House  
Dr. Atmaram Borkar Road  
Panaji Goa 403001

**Sub.: Scheme for providing subsidy under Debt Relief Scheme for mining affected borrowers of the State of Goa.**

Sir/Madam,

With reference to the above scheme, we had filed the claims pertaining to our eligible borrowers for approval of subsidy as per the provisions of the above scheme. Based on the approval of quantum of subsidy conveyed to us by you, the borrower has paid the balance amount of the settlement amount as per the one time settlement offered by us. We now therefore request you to pay the subsidy amount approved by you towards our following borrowers as per the list enclosed at Annexure A.

The subsidy amounts received shall be adjusted by us towards the loan settlement of the respective borrowers. We confirm that on receipt of the above amounts pertaining to the respective borrowers we shall close the loan account of the borrower and issue “No Dues Certificate” and release the securities/surety/guarantor offered by the borrower against the respective loan account.

We also confirm that the above amount claimed is as per terms and conditions of the above scheme and in case of any violation of terms on our part, we undertake to reimburse the subsidy amount with interest at Base Rate/PLR.

Thanking you,

Yours faithfully,

(Authorised Signatory)

