

Annexure – 9.46

Fishermen Debt Relief Scheme - Suggestions of KSFDRC

1. Irrespective of the quantum of loan amount sanctioned, the maximum outstanding principal amount to be considered for the purposes of debt relief shall be fixed as ***Rupees three lakhs only***. This three lakh rupees may be termed as the 'Qualifying amount'. This limit will benefit the maximum number of beneficiaries.

Intention of the legislation and social commitment, including that of the Public Sector Banks may be considered here.

2. The maximum debt relief amount of Rs. 75,000/- to be sanctioned by the Government shall be credited directly to the outstanding principal amount.

(This was done in the case of the Co-operatives)

3. 25% of the amount outstanding as interest on the qualifying amount will be paid by the Government to the Banks. Rest of the interest amount on the qualifying amount may be written off by the Banks.

(Same as in the case of the Co-operatives)

4. Penal interest on the entire debt may be waived by the Banks.

(This was done by the Co-operatives)

5. The Banks may sanction just/reasonable installments, say thirteen to fifteen to the loanee to repay the balance of the principal amount left after crediting Rs. 75000/- sanctioned by the Government.

(The Co-operatives have sanctioned 13 installments)

6. The Banks will be at liberty to recover the balance amount from the loanee who does not repay the balance even after extending the facility stated at point No. 5 above, in accordance with law. This will be specified in the Government Order to be issued.

(Same as in the case of the Co-operatives)

7. As per the KFDRC Act all loans coming under the purview of the term 'debt' defined u/s 2(v) of the KFDRC Act are to be considered for debt relief. But there are certain loans (*Purchase of Fishing Implements, Housing, Education, Marriage of daughters and Medical treatment*) which are covered under the Moratorium Order of the Government. If the Banks give details of such loans directly to the Commission, maximum number of cases can be disposed of immediately.

The Banks may extend their co-operation in providing information on such loans, for which the Commission will provide raw list of all the applicants, Bank/Branch wise, through the SLBC. If this is done, the advantage is that in the rest of the cases only those which are doubtful from the perspective of the purpose of the loan, will require further collection of evidence by the Commission.

8. The amount towards principal, interest and penal interest outstanding in each case may be calculated as 30th September, 2012.