

RAJASTHAN FINANCIAL CORPORATION
Udyog Bhawan, Tilak Marg, Jaipur

Ref.No.RFC/HO/FR- ARRC/2369

Dated: 27.08.2010

31

CIRCULAR
(ARRC No. 177)

Reg. Sale of units – Refund of surplus

Offers for plant & machinery only irrespective of sale value and for sale of composite unit (land, building and plant & machinery) up to Rs. 5.00 lac are accepted / considered only on cash down basis as per present policy **for sale of the unit under possession**. Surplus, if any, to original promoter is released on yearly basis after receipt of entire dues of RFC from the purchaser.

The matter was reviewed by the Board in its meeting held on 30.06.2010 and it has been decided that henceforth sale may be approved on **cash down basis only** as detailed below:

- (1) 50% of sale price (including 5% earnest money) may be deposited by the purchaser within 30 days from the date of issue of sale approval letter in all cases irrespective of loan sanctioned / disbursed / outstanding.
- (2) Further 25% amount may be deposited by the purchaser within next second month (within 60 days).
- (3) The remaining 25% amount may be deposited by the purchaser in next third month (within 90 days).
- (4) The entire 100% of sale consideration will be deposited by the purchaser within the 90 days from the issue of sale approval letter.
- (5) If purchaser does not deposit the 50% amount of sale consideration within 30 days from the date of issue of sale approval letter, the sale approval will automatically cancel and earnest money deposited will be forfeited by the Corporation and unit will be put for auction again as per norms.

Contd...2..

- (6) The execution of documents and taking over possession of the assets of the unit will be completed by the purchaser after depositing first 50% amount to the Corporation along with interest for delayed period, if applicable.
- (7) If purchaser does not deposit further 25% amount (i.e. after taking possession of purchased assets) within 60 days and final 25% amount within 90 days from the date of issue of sale approval letter, the Corporation will take the possession of the Property / assets of the unit back and will be put to auction again by the Corporation as per norms.
- (8) The CMD would be competent to extend further three months time in genuine cases to deposit the sale consideration in which interest will be paid by the purchaser as per norms for delayed period. Interest rate would be as applicable on new loan cases.
- (9) If purchaser fail to deposit sale price of the unit with the Corporation then the amount deposited by the purchaser will be refunded without interest (except earnest money) after receipt of request from the purchaser.

In no case, the period shall be extended further.

Refund of Surplus Amount

- (i) The surplus amount will be refunded on prorata basis to the original borrower as and when the Corporation recovers the amount from the purchaser .
- (ii) However, where the surplus amount is less then 20% of the sale value then 100% surplus amount shall be refunded after receipt of first 50% amount from the purchaser.

The procedure and guidelines stands revised as above and all concerned are advised to make a note of it.



(G.S. Sandhu)

Chairman & Managing Director



Copy to :

1. DGM(A&I), WZ, Jodhpur.
2. DGM(A&I), CZ, Ajmer
3. All BOs / SOs
4. Standard Circulation at HO.