

CIRCULAR
(ARRC No. 115)


Reg: Earnest money required for purchase of part assets under possession.

PG Circular No.1129 dated 5th November, 2005 was issued prescribing guidelines for taking earnest money @ 5% of the MRV of the assets, instead of bid amount.

While conducting auctions, it has been observed that in some cases, purchaser parties have intended to purchase part assets i.e Plant & Machinery or part of it. In such a situation, intending purchaser party finds difficulty with regard to depositing earnest money.

Considering above, it has been decided that henceforth, Branch Offices may accept earnest money equal to 5% of the offer/bid amount in case purchaser party intends to give offer for purchase of part assets i.e. Plant & Machinery or part of it. However, the provision of earnest money @ 5% of the MRV of the assets for purchase of total assets shall continue to be in force as circulated vide PG Circular No.1129 dated 5th November, 2005.

All concerned are advised to take a note of above.


(Rekha Gupta)
GENERAL MANAGER (D)

Copy to:

1. All ROs/BOs/SOs
2. DGM (A&I), WZ, Ajmer.
3. Standard circulation at HO.