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RFC/P&G/14.12/2012

RAJASTHAN FINANCIAL CORPORATION

HO: Udyog Bhawan, Tilak Marg, C-Scheme, Jaipur-302005

Ref.No. RFC/F.FR-ARRC/... *Corr-77/1300*

Dated: 28/02/2012

CIRCULAR (ARRC No. 184)

Sub: Withdrawal of condition regarding dues of Central Excise & Possession under the provisions of SARFAESI Act, 2002

Attention is invited towards circular No. RFC/ARRC/23/HO/111 dated 26.04.2008 (ARRC-160) vide which directions were issued to incorporate following condition as one of the terms & conditions for sale of assets of the units which are under possession of the Corporation:-

"प्रश्नागत इकाई के संबंध में सेन्ट्रल एक्साईज की बकाया (यदि कोई है तो) का भी भुगतान केंता को करना होगा।"

Recently, a new **Sec. 11E** has been inserted under the head of "**Liability under Act to be first charge**" in the Central Excise Act, 1994, according to which the provisions of SARFAESI Act, 2002 will supersede being first charge on the property of the assessee, hence looking to this legal position it has been decided :

- (i) to withdraw the above said condition with immediate effect from the terms & conditions prescribed for sale of assets of the units;
- (ii) that henceforth in the cases where possession is required to be taken to recover the dues of the Corporation but there are dues of Central Excise against the said unit, in such cases the Corporation should take possession of these units under the provisions of the SARFAESI Act, 2002 instead of the SFCs Act, 1951.

Other norms/guidelines will remain unchanged. The above correction/amendments may be incorporated in the PG at appropriate place.

All concerned are advised to take a note of above and ensure compliance with immediate effect.



(Yaduvendra Mathur)

Chairman & Managing Director

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