

**RAJASTHAN FINANCIAL CORPORATION
(FR SECTION)**

Ref.No.RFC/FR-42(A)/HO/ 552

Dated: 16.09.2022

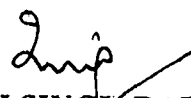
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**CIRCULAR
(FR-799)**

Reg: Sale of unit under possession through E-auction.

In continuation to circular no. FR-786 dated 29.09.2021, the updated E-auction bidding guidelines & E-auction bidding terms & condition for the E-auction process are attached as Annexure – 'A' and 'B'.

All concerned are advised to take a note of above and act accordingly.


(SHAKTI SINGH RATHORE)
MANAGING DIRECTOR

Encl: As above.

Copy to :-

1. All BO's.
2. Standard circulation at HO.

RAJASTHAN FINANCIAL CORPORATION
Udyog Bhawan, Tilak Marg, Jaipur

E-auction Bidding Guidelines

Rajasthan Financial Corporation, hereby referred to as RFC, as decided to e-auction the assets of taken over units under SFCs act 1951 through online forward e-auction mode. The guidelines of e-auction are as under :

1. DEFINITIONS :

- (i) **Auctioneer** : Auctioneer referred in these conditions of e-auction is RFC through their officers.
- (ii) **Auction Committee** : A Committee constituted by RFC for approval of Bids.
- (iii) **Bidder** : Any person representing as an individual or Proprietor or as a Partner of registered Partnership firm or as a duly authorized representative of any company registered under the Companies Act or of any legal entity, who has been registered with the auctioneer and who has paid the Earnest Money Deposited (EMD) & Participation fee and complied with other terms and conditions mentioned herein or as may be specified through separate publication, shall be considered as a Bidder.
- (iv) **Successful Bidder** : At the end of the Forward Auction, RFC will decide upon the winner based on the highest bid placed for the assets under auction and subsequent acceptance of RFC. The decision of RFC will be final & binding on all the bidders.
- (v) **Registration** : The bidder is required to be registered on RFC website www.rfc.rajasthan.gov.in or rfc.anytime.auction before participating in e-auction.
- (vi) **Assets** : Asset means Land, Building, Plant and Machinery or any other misc. assets of the unit "as is where is and whatever there is" basis.
- (vii) **Participation Fee** : The bidder shall also pay non refundable e-bid participation fee of Rs. 1000/- + GST which will be valid only for one auction event of one unit for participating in e-auction. The participation fee shall not be valid for more than one unit. If the bidder wishes to bid more units put for auction, the participation fee will be charged separately for each unit.
- (viii) **Earnest Money Deposit (EMD)** : The bidder will have to deposit prescribed earnest money for each unit for the particular e-auction. The earnest money is to be deposited online through RFC Payment Gateway.



- (ix) **Bid Price** : The bidder(s) have to quote the total price for assets of the unit available for e-auction.
- (x) **Bidding Currency** : Bidding will be conducted in Indian Rupee (INR) only.
- (xi) **H1 Price** : It is highest value placed in the bid at prescribed point of time during the auction for the asset. It will be visible to all the bidders on the screen and bidders can bid an amount of "**H1price plus incremental value**" only. The incremental value shall be decided by the Corporation from time to time. The minimum incremental value will be displayed against each asset on the bidding screen of all participating bidders. The software will not accept any bid other than the multiple of incremental value.
- (xii) **Bid Start Price (BSP)** : It refers to the "Bid Start Price" which shall be decided by the RFC and shall be visible to all the bidders on their screens during the start of the e-auction. The bid will trigger off from this price and no bidder can start bidding below this price.

2. PARTICIPATION/APPLICATION PROCESS :

(i) Registration of Bidder :

The bidder can apply for registration on RFC website www.rfc.rajasthan.gov.in or rfc.anytime.auction. After registration, an auto generated User ID & Password shall be sent on registered mobile number & E-mail ID of the user.

(ii) Participation in e-auction :

- For Online Participation in e-auction, bidder can view the advertisement as well as the relevant information published in Print Media/Website of RFC.
- The registered bidder shall be required to deposit "e-bid participation fee (Non refundable)" amounting to Rs. 1000/- + applicable GST online through RFC Payment Gateway for the auction in which he/she is specifically participating (separately for auction of each assets/unit).
- The registered bidder shall also be required to upload requisite KYC documents.

- (iii) **Earnest Money Deposit (EMD)** : Apart from e-bid participation fee, the Bidder will have to deposit prescribed Earnest Money. The earnest money amount shall have to be deposited within the time limit as notified and shall be subject to clearance of the same by RFC. Earnest money will be non-transferable to the other Bidder or any other asset to be purchased by the same Bidder.



- (iv) **Contact Person :** RFC will nominate Nodal Officer who will coordinate for responding to bidder's queries regarding auction.

3. PROCEDURE OF FORWARD E-AUCTION :

- (i) RFC will declare its bid start price (BSP) which shall be visible to all the bidders at the start of the forward auction.
- (ii) The Bid start price (BSP) of assets in online forward auction is open to all the participating bidders. Any bidder can start bidding, in the online forward auction from this price onwards only. Hence, the first online bid that comes in the system during the online forward auction shall be higher than the auction's BSP by one increment or absolute multiples of increment.
- (iii) The onwards bidding will have to be higher than the H1 rate as quoted and displayed on screen by one increment value or higher than the H1 rate by multiples of the increment value.
- (iv) Online Forward Auction shall be open for a specified period as per publication issued by RFC for each asset/unit. The closing time and date of auction may be extended at any time. There will be unlimited extension of 5 minutes duration each, if any valid bid is received in last 5 minutes of the close of E-auction. The bidder(s) are cautioned not to wait till the last minutes or last few seconds to enter their bid to avoid complications related to internet connectivity, network problems, system crash down, power failure, etc.
- (v) RFC reserves rights to cancel the highest bid in any condition what so ever. The Notice for such cancellation shall be only notified on the e-auction portal.
- (vi) The minimum bid increment value shall be available on screen to the bidders. The bidder can view the same by clicking on the relevant details at the start of the auction.
- (vii) During forward auction, if no bid is received within the specified time or bid is cancelled as per point number (v) above, RFC, at its own discretion, may decide to re-invite the bid/scrap the e-auction process/proceed with conventional mode of auctioning.
- (viii) The bids will be taken as an offer to purchase the assets/unit on terms & conditions attached with the assets/unit. Bids once made by a bidder, cannot be cancelled/withdrawn by the bidder and the bidder shall be bound by the bid quoted, failing which the earnest money will be forfeited.
- (ix) Bidders will be able to view the following on their screen alongwith the necessary fields in the Forward Auction.
 - Opening BSP (Bid Start Price) & Minimum Incremental Value.
 - Leading (highest) Bid in the e-auction.
 - Bid placed by the bidder himself.
 - Rank of bidder in the e-auction.



- (x) The concerned contact person will respond to all queries relating to the e-auction processes and rules on the telephone numbers given or through mail as per the publication/auction advertisement.
- (xi) RFC reserves the right to modify/amend the terms and conditions and intimate the same prior to commencement of e-auction or while the auction is in progress.

4. EARNEST MONEY DEPOSIT PAYMENT, ITS REFUND :

- (i) The intending bidder(s) have to deposit prescribed earnest money (EMD) for the particular e-auction online through RFC Payment Gateway before participating in e-auction.
- (ii) The EMD amount shall have to be deposited within the time limit as notified and shall be subject to clearance of the same by RFC.
- (iii) Delay in deposit of EMD will not be entertained and the bidder shall not be eligible for participation.
- (iv) The EMD of the successful bidder is adjustable in the bid amount, if and when his highest bid is approved by the competent committee of RFC.
- (v) The EMD of the unsuccessful bidders will be refunded without any interest, cost or claim after the closure of the e-auction or the extended period as decided by the RFC.
- (vi) The refund of EMD of unsuccessful bidders shall be made in the same bank account which is specified by the bidder in the e-auction form at the time of registration. RFC shall not be responsible if incorrect/incomplete bank details are furnished by the bidder in any manner.
- (vii) Earnest money deposited will be non transferable to the other bidder or any other asset/unit to be purchased by the same bidder.

5. BID CONFIRMATION – AND BALANCE PAYMENTS :

- (i) The highest bid will be considered only on subject to confirmation basis. After closure of the e-auction the competent committee of RFC will approve the successful/highest bidder online, whose highest bid is accepted, through an e-mail/SMS after the completion of each auction. The confirmation of auction will be done only after approval by competent committee of RFC. The terms and conditions of payments by the highest bidder are mentioned in e-auction bidding terms & conditions.
- (ii) All payments (except deferred payment) shall be accepted online through RFC Payment Gateway.



- (iii) The decision to approve sale shall be taken by the authority to whom the powers have been delegated. However, the highest bid will be subject to further offer by the original promoter(s) and in case any highest offer is received from the original promoter(s), after dispatch of intimation to him that will be considered provided that it is supported by 25% of the offer price. Thereafter, no further offer will be considered. However, if the original promoter(s) gives his consent for sale then no further offer is to be invited.
- (iv) The orders of sale passed on the file can be withdrawn provided this has not been communicated to the party in whose favour order for sale was made. However, the same may be reopened for such consideration within one month from the date of order on the file or till the date of issue of the letter whichever is earlier. It was further decided that the case may be reopened only in case where the offer is received after finalisation of sale is highest by not less than 15% then the amount at which sale was approved and such an offer is accompanied by earnest money subject to a minimum of 15% of the total amount offered by the fresh offerer.

6. KYC COMPLIANCE :

During online registration for KYC compliance the bidders will have to upload following documents :

Features	List of valid KYC Documents
Individuals > Legal name and any other names used	(i) Passport (ii) *PAN Card (iii) Voter's Identity Card (iv) Driving License (v) Identity Card (vi) *Aadhar Card *Mandatory
Address	(i) Utility bill like telephone, electricity (not older than 3 months) (ii) Bank account statement/pass book (iii) Passport (iv) Letter from employer (Subject to satisfaction of the Corporation) (v) Latest rent/leave & license agreement etc. (Any one)
Companies > Name of the Company, Principal place of business > Address of the company > Identity of signatories	(i) Certificate of incorporation and Memorandum & Articles of Association (ii) Resolution of the Board of Directors to open an account and identification of those who have authority to operate the account. (iii) Power of Attorney granted to its managers, officers or employees to transact business on its behalf (iv) PAN



	card of Company (v) Any other officially valid document establishing proof of existence and address of the entity to the satisfaction of the Corporation (vi) Any officially valid documents to identify the signatories (vii) Certificate of commencement of business (viii) BRN
Partnership firms > Legal name and address > Identity of all partners And their addresses > Identity of signatories	(i) Registration certificate, if registered (ii) Partnership deed (iii) Power of attorney granted to a partner or an employee of the firm to transact business on its behalf (iv) Any officially valid documents Identifying the partners and the persons holding the Power of Attorney and their addresses (v) Proof of existence & proof of address of the firm (vi) BRN No. etc. (vii) PAN card of Firm or PAN Card of all partners.
Trusts & foundations > Identity of trustees, settlers, beneficiaries & signatories. > Identity and address of the founder, the managers/directors and the beneficiaries. > Identity of signatories	(i) Certificate of registration, if registered (ii) Trust deed (iii) Power of attorney granted to transact business on its behalf (iv) Any officially valid documents to identifying the trustees, settlers, beneficiaries and those holding power attorney founders/managers/directors and their addresses. (v) Resolution of the managing body of the foundation/association (vi) Any officially valid document establishing the proof of existence and proof of address of the entity to the satisfaction of the Corporation. (vii) BRN (viii) PAN card of Trust.

7. PAYMENT MODE :

- All payments i.e. Bid participation fee alongwith GST, EMD and initial payment up to 25% of sale price in the cases of deferred payment sale cases and 100% of the sale price in the cases of cash down basis sale cases will be deposited online through RFC Payment Gateway.
- For payment of remaining 75% of sale price in the case of deferred payment sale cases the purchaser is required to submit Post Dated Cheques (PDCs) at the time of execution of documents.
- The realization of amount will be effective only after it is credited in concerned bank account of the RFC.



8. INSPECTION OF ASSETS :

- i. The assets/units are being auctioned on "AS IS WHERE IS AND WHATEVER THERE IS BASIS."
- ii. The bidder is advised to visit and examine the assets at his own cost and be first satisfied before participating in the Auction process. No claim what so ever will be entertained after submission of the bid.

9. OTHER TERMS & CONDITIONS :

- i. The sale/e-auction is being conducted under provisions of the SFCs Act 1951.
- ii. The intending bidder(s) should make their own independent enquiries regarding the other encumbrances, title or property/(s) put on e-auction and claims/rights/dues affecting the property, prior to submitting their bid. The e-auction advertisement does not constitute and will not be deemed to constitute any commitment or any representation of RFC.
- iii. It shall be the responsibility of the bidder(s) to inspect and satisfy themselves about the factual position of the assets and its measurement before submitting the bid.
- iv. The particulars specified in the e-auction notice published in the news papers and available on the e-auction portal (rfc.anytime.auction) have been stated to the best of the information of RFC. However, RFC shall not be responsible/liable for any error, misstatement or omission.
- v. The inspection of property put on e-auction will be permitted to interested bidder(s) at site on his request.
- vi. Any conditional bid(s) shall be treated as invalid. Please note that after submission of the bid(s), no correspondence regarding any change in the bid shall be entertained.
- vii. If the dues of RFC together with all costs, charges and expenses incurred by it or part thereof as may be acceptable to RFC are tendered by or on behalf of the borrower whose property is on e-auction or by the property holder/s or guarantor/s at any time till the date of conveying approval of the highest bid to the successful bidder, the sale of assets/e-auction may be cancelled.
- viii. RFC is not bound to accept the highest offer/bid and RFC has absolute right to accept or reject any or all offer(s) or adjourn/postpone/cancel the e-auction without assigning any reason thereof. This sale/e-auction is subject to approval by the competent authority of RFC. Highest bid received in the auction shall be put up before the competent authority for approval of the sale by RFC. Subsequent to approval of the sale by the competent authority the bid shall be approved online and intimation will be sent to the successful bidder through e-mail/SMS.



- ix. The acceptance or rejection of the e-auction by the Corporation or methodology adopted by the Corporation for the sale of asset(s) on e-auction platform shall not become a cause of action or ground to initiate legal action before any court of law for obtaining any order, Injunction, Direction etc from Hon'ble Court to stay the proceedings.
- x. The Bidder shall not involve himself or any of his representatives in price manipulation of any kind directly or indirectly by communicating with other bidders which shall otherwise make him ineligible.
- xi. Bidder shall not divulge either his/her bids or any other exclusive details of RFC to any other party.
- xii. The decision of competent authority of RFC shall be final and binding on all the bidders.
- xiii. RFC shall not have any liability towards the bidders for any interruption or delay in access to the site irrespective of the cause. Please note that failure of internet connectivity (due to any reason whatsoever it may be) shall be sole responsibility of bidder(s) and RFC shall not be responsible for such unforeseen circumstances. In order to ward-off such contingent situation, bidder(s) are requested to make all the necessary arrangements/alternatives whatever required so that they are able to circumvent such situation and still be able to participate in the e-auction successfully. The bidder(s) are requested not to wait till the last moment to quote their bids to avoid any such mishaps.
- xiv. RFC is not responsible for any damages, what so ever, including damages on account of any negligence on their part.
- xv. NRI are advised to comply with the RBI/FEMA/Indian Income Tax and other laws of land before participating in the bid. RFC shall not be responsible for any non compliance and the risk and cost shall be of that NRI.
- xvi. The bidder is required to study e-auction bidding guidelines and the E-auction Bidding Terms & Conditions and be satisfied before participating in the auction process.
- xvii. The e-auction bidding rules and the terms & conditions shall form the integrated part of the auction documents and the bidder would be responsible to comply the same. The bidder is also required to accept these rules and the terms & conditions before participating in the bidding process.
- xviii. The prevailing provisions of SFCs Act 1951 and other relevant rules, byelaws, guidelines, circulars and orders of Govt. of Rajasthan and/or RFC would also be applicable and binding on the bidders besides the provisions mentioned in this documents. If there is any difference in the provisions contained in this documents and the above mentioned rules and regulations, the provisions of this document will have the overriding effect to that extent only.
- xix. If there is any dispute on interpretation of any of the provisions, the same must be brought into the notice of RFC in writing at least 3 days before scheduled start auction date. The decision of RFC shall be final and binding.



- xx. The bidder should participate in the auction process only after being fully satisfied.
- xxi. The applicable GST will be leviable as applicable from time to time
- xxii. **Time Line for e-auction :**

S.No.	Activity	Time period (days)	Remark
1	Date of publication of e-auction in Newspaper and other print media as well as hosting of e-auction plan on website.	T	T = date of publication
2	Registration and participation start date	T	The bidder can start the registration and participation activity (in case already registered only participation activity).
3	Submission End date of required documents, deposition of participation fees and EMD by the bidder	T+15	15 days given as per the general guidelines
4	Verification of documents by Head Office/ unit office and to allow the eligible bidder for e-bidding	T+17	2 working days for verification of documents and approval to bidder for participating in e-auction.
5	Start of e-auction bidding	T+18	1 day after due verification.
6	End of e-auction bidding	T+21*	Three working days given for participating the bidder in e-auction with end time 5.00 PM on the last day of each bidding. *The days may vary as per the date fixed for e-auction period.

***Note :** Three working days means working days as per official calendar of Govt. of Rajasthan excluding gazetted holidays. However, the days on which half day holiday is declared either by GOR or District Collector, the same will be treated as full working day for calculation of 3 working days for bidding.

10. DISPUTE RESOLUTION :

Any disputes arising out of this e-auction shall be subjected to Jurisdiction of Jaipur, Rajasthan (India) Courts only.



RAJASTHAN FINANCIAL CORPORATION
Udyog Bhawan, Tilak Marg, Jaipur

E-auction Bidding Terms & Conditions

1. The e-auction of assets/units is being held on "**as is where is and whatever there is**" basis.
2. As soon as the highest bid is approved and conveyed to the successful bidder, he has to deposit initial amount i.e. 5% of the final bid price (after adjusting EMD) within 24 hours online through RFC Payment Gateway.
3. If the EMD is more than the 5% of the final bid price then the excess of EMD after adjusting initial deposit shall be adjusted against the bid price to be paid by the successful bidder.
4. After deposit of 5% initial amount by the bidder, sale approval letter shall be issued by RFC to the intending purchaser alongwith the terms & conditions of sale to deposit the balance amount as per terms & conditions.

5. Terms & conditions of balance payment :

The terms & condition and procedure for payment of balance amount are as under:

S.No.	Particulars	Mode of Payment
A.	a) All cases of Transport Loan. b) All Loan Cases of sale of P&M, including movable assets (whether in rented premises or otherwise. c) Where obtained price is up to Rs. 25.00 lacs.	100% cash down basis only and the entire sale price is to be deposited as under: i) 50% of sale price (Including earnest money already received) within 30 days of issue of sale approval letter. ii) Further 25% amount within next 2nd month (within 60 days of issue of sale approval letter). iii) Remaining 25% in next 3rd month (within 90 days of issue of sale approval letter).
	Note : i. The purchaser is required to make all the payments online through RFC Payment Gateway. ii. 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 be cancelled and earnest money deposited will be forfeited by the Corporation and unit will be put for auction again as per norms.	



- iii. The execution of documents/handing over possession of the assets/units shall be done only after receipt of entire sale price from the purchaser.
iv. All the expenses of execution of documents shall be borne by the purchaser.

S.No.	Particulars	Mode of Payment
B.	Where obtained price is above Rs. 25.00 lacs and up to Rs. 100.00 lacs.	On cash down basis : i) 50% of sale price (including earnest money already received) within 30 days of issue of sale approval letter. ii) Further 25% amount within next 2nd month (within 60 days of issue of sale approval letter). iii) Remaining 25% in next 3rd month (within 90 days of issue of sale approval letter). On deferred payment basis : Amount is to be deposited as under : i) 25% of sale price (including earnest money already received) is to be deposited within 15 days from the date of issue of sale approval letter. ii) Remaining 75% amount shall be paid in 11 quarterly instalments (3 years) including 6 months moratorium period after possession alongwith interest as per norms.
C.	Where obtained price is above Rs. 100.00 lacs	On cash down basis : i) 50% of sale price (Including earnest money already received) within 30 days of issue of sale approval letter. ii) Further 25% amount within next 2nd month (within 60 days of issue of sale approval letter). iii) Remaining 25% in next 3rd month (within 90 days of issue of sale approval letter). On deferred payment basis : Amount is to be deposited as under : i) 25% of sale price (including earnest money already received, is to be deposited within 15 days from the date of issue of sale approval letter. ii) Remaining 75% amount shall be paid in 19 quarterly instalments (5 years) including 6 months moratorium period after possession alongwith interest as applicable as per norms.



Note :

- i. The maximum deferred amount/loan amount is as under :
 - a. In the case of Corporation/Company/ : 20.00 crore
Co-operative Society
 - b. Others : 8.00 crore
- ii. 25% payment of the sale price as above is to be made online through RFC Payment Gateway.
- iii. For remaining 75% payment of the sale price (deferred payment) alongwith interest the purchaser is required to submit post dated cheques at the time of execution of documents.
- iv. The purchaser is required to take possession of the assets from RFC after completing all the requisite formalities within 30 days from the date of issue of sale letter failing which the earnest money deposited by the purchaser shall be forfeited by the RFC.
- v. The purchaser is required to pay interest at the rate prevailing at the time of auction on balance deferred amount in quarterly instalments from the date after 30 days of issue of sale approval letter or the date of taking over possession of the assets from RFC whichever is earlier. In case of default the RFC shall charge penal interest on the amount in default for the period of default at the rate applicable prescribed by RFC from time to time. The RFC may also take action against the purchaser under provisions of the SFCs Act 1951 in case of default.
- vi. Reset clause for interest rate as per norms shall be applicable. The rate of interest shall be reset every year after completion of one year from the date of execution of documents during the currency of loan and the Corporation shall charge rate of interest prevailing at the time of reset of interest or existing (documented) rate of interest whichever is higher.

6. The purchaser is required to employ SC/ST candidates in the unit as per policy of the State Govt.
7. The purchaser is required to deposit outstanding IPI dues, if any, of RIICO Ltd., dues of JDA/Local Bodies for which necessary information may be obtained by the purchaser from the concerned Branch Manager of RFC/RIICO Ltd./JDA/Local Bodies.
8. The purchaser is not responsible for payment of outstanding dues of State Govt. Departments like Power (Electricity) Distribution Companies, Commercial Tax Deptt., Transport Deptt., Mine Deptt., Land & Building Taxes, State Excise, PHED (Public Health & Engineering Deptt.) and Industries Deptt.
9. The purchaser of land & building is required to execute sale related documents according to Rajasthan Stamp & Registration Act after depositing prescribed stamp duty and registration expenses. These expenses shall be borne by the purchaser in addition to the sale price.



10. The purchaser shall obtain permission from Rajasthan Pollution Control Board if required as per norms for the unit proposed to be set up on the land and building being purchased from RFC.
11. The lease hold rights of the unit shall be transferred to the purchaser for remaining period.
12. The purchaser may deposit more than 25% of the sale price as initial payment, in that case the interest at prevailing rate of interest shall be charged on remaining deferred payment. In case of default the purchaser is required to pay penal interest also as per norms.
13. The purchaser is required to provide necessary information up to the satisfaction of RFC about his credit worthiness before taking over possession of the assets/execution of documents.
14. The purchaser is required to give his consent that RFC will provide information to Credit Information Bureau of India (CIBIL) about his loan till clearance of dues of RFC.
15. If the purchaser wants to get the sale documents executed in the name of firm, partnership or company then he is required to keep his share more than 50% in the firm/company for getting permission of RFC for the same and also required to submit all necessary information about credit worthiness of all the partners/directors up to satisfaction of RFC.
16. The purchaser is required to deposit 1% of the deferred payment amount as service charge plus taxes before issue of sale letter. This will not be included in sale price.
17. In case of sale on cash down basis, the purchaser is required to deposit Rs. 5000/- plus applicable taxes as service charge before issue of sale letter. This will not be included in sale price.
18. The assets shall be kept fully insured by the purchaser till currency of loan of RFC.
19. The purchaser should ensure payment of TDS on sale in compliance with provision of Income Tax Act as applicable.



Additional conditions for CRE cases :

1. In the case of sale on deferred payment basis the NOC for sale of flat, office and shop shall be issued by RFC only after deposit of requisite amount by the purchaser as per norms out of the sale proceed of flat, office and shop.
2. The purchaser is required to get regularized unauthorized construction, if any, available on the site at his level and at his own expenses for which the RFC will not be held responsible/liable.

