

MINISTRY OF FINANCE
(Department of Financial Services)
NOTIFICATION

New Delhi, the 17th October, 2018

G.S.R. 1040(E).—In exercise of powers conferred by sub-section (1) and clause (b) of sub-section (2) of section 38, read with sub-section (4) (10) and (12) of section 13 of the Securitisation and Asset Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (54 of 2002), the Central Government hereby makes the following rules further to amend the Security Interest (Enforcement) Rules, 2002, namely:-

1. **Short title and commencement.**—(1) These rules may be called the Security Interest (Enforcement) Amendment Rules, 2018.

(2) They shall come into force on the date of their publication in the Official Gazette.

2. In the Security Interest (Enforcement) Rules, 2002, (hereinafter referred to as the said rules), in rule 6 -

(i) in sub-rule (2), for the first proviso, the following proviso shall be substituted, namely:-

“Provided that if the sale of such secured assets is being effected by either inviting tenders from the public or by holding public auction, the secured creditor shall cause a public notice in the Form given in Appendix II-A to be published in two leading news papers, including one in vernacular language having wide circulation in the locality.”;

(ii) after sub-rule (3), the following sub-rule shall be inserted, namely:—

“(4) The authorised officer shall upload the detailed terms and conditions of the sale of the movable secured assets on the web-site of the secured creditor, which shall include,

- (a) details about the borrower and the secured creditor;
- (b) complete description of movable secured assets to be sold with identification marks or numbers, if any, on them;
- (c) reserve price of the movable secured assets, if any, and the time and manner of payment;
- (d) time and place of public auction or the time after which sale by any other mode shall be completed;
- (e) deposit of earnest money as may be stipulated by the secured creditor;
- (f) any other terms or conditions which the authorised officer considers it necessary for a purchaser to know the nature and value of movable secured assets.”

3. In the said rules, in rule 8 -

(i) in sub-rule (6), for the proviso, the following proviso shall be substituted, namely:-

“ Provided that if the sale of such secured asset is being effected by either inviting tenders from the public or by holding public auction, the secured creditor shall cause a public notice in the Form given in Appendix IV-A to be published in two leading newspapers including one in vernacular language having wide circulation in the locality.”;

(ii) for sub-rule (7), the following sub rule shall be substituted, namely:—

“(7) every notice of sale shall be affixed on the conspicuous part of the immovable property and the authorised officer shall upload the detailed terms and conditions of the sale, on the web- site of the secured creditor, which shall include;

- (a) the description of the immovable property to be sold, including the details of the encumbrances known to the secured creditor;
- (b) the secured debt for recovery of which the property is to be sold;
- (c) reserve price of the immovable secured assets below which the property may not be sold;
- (d) time and place of public auction or the time after which sale by any other mode shall be completed;
- (e) deposit of earnest money as may be stipulated by the secured creditor;
- (f) any other terms and conditions, which the authorized officer considers it necessary for a purchaser to know the nature and value of the property.”;

4. In the principal rules, after Appendix II, the following Appendix shall be inserted, namely:—

“APPENDIX- II-A

[See proviso to rule 6 (2)]

Sale notice for sale of movable properties

E-Auction Sale Notice for Sale of Movable Assets under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 read with proviso to Rule 6(2) of the Security Interest (Enforcement) Rules, 2002

Notice is hereby given to the public in general and in particular to the Borrower (s) and Guarantor (s) that the below described movable property hypothecated/pledged/charged to the Secured Creditor, the constructive/physical ----- (whichever is applicable) possession of which has been taken by the Authorised Officer of ----- Secured Officer, will be sold on “As is where is”, “As is what is”, and “ Whatever there is” on ----- (mention date of the sale), for recovery of Rs. ----- due to the ----- Secured Creditor from ----- (mention name of the Borrower (s)) and ----- (mention name of the Guarantor

(s)). The reserve price will be Rs-----and the earnest money deposit will be Rs-----

(Give short description of the movable property with known encumbrances, if any)

For detailed terms and conditions of the sale, please refer to the link provided in -----Secured Creditor's website i.e. www. (give details of website) .

Date:

Authorised Officer

Place:

”

5. In the principal rules, after Appendix IV, the following Appendix shall be inserted, namely:–

“APPENDIX- IV-A

[See proviso to rule 8 (6)]

Sale notice for sale of immovable properties

E-Auction Sale Notice for Sale of Immovable Assets under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 read with proviso to Rule 8 (6) of the Security Interest (Enforcement) Rules, 2002

Notice is hereby given to the public in general and in particular to the Borrower (s) and Guarantor (s) that the below described immovable property mortgaged/charged to the Secured Creditor, the constructive/physical -----(whichever is applicable) possession of which has been taken by the Authorised Officer of ----- Secured Creditor, will be sold on “As is where is”, “As is what is”, and “Whatever there is” on -----(mention date of the sale), for recovery of Rs.-----due to the -----Secured Creditor from -----(mention name of the Borrower (s)) and -----(mention name of the Guarantor (s)). The reserve price will be Rs-----and the earnest money deposit will be Rs-----.

(Give short description of the immovable property with known encumbrances, if any)

For detailed terms and conditions of the sale, please refer to the link provided in ----- Secured Creditor's website i.e. www. (give details of website)

Date:

Authorised Officer

Place:

[F. No. 31/20/2018-DRT]

VANDITA KAUL, Jt. Secy