

# कन्सट्रक्शन एण्ड डिजाइन सर्विसेज

उत्तर प्रदेश जल निगम  
(उपग्रो सरकार का उपक्रम)



प्रधान कार्यालय :- टी.सी.-38-वी. विभूति खण्ड, गोमती नगर लखनऊ-226010

फोन: +91 522 2728985 फैक्स: +91 522 2728988

Visit us at: www.cdsupjn.org

e-mail: director@cdsupjn.org

पत्रांक: .....२३७१ / जी-२ / १३२ दिनांक: ...२५/२/१७  
कार्यालय-ज्ञाप

शासन के निर्देश पर समस्त शासकीय निर्माण कार्य ई-टेण्डर की पद्धति से अनुबंध के माध्यम से कराये जाने हैं। प्रायः अनुबंधों के गठन के समय परफार्मेंस सिक्योरिटी के रूप में अन्य instruments के अतिरिक्त बैंक गारण्टी भी स्वीकार की जाती है। बैंक गारण्टियों को स्वीकार करने के पूर्व पर्याप्त सावधानी बरते जाने की आवश्यकता है, क्योंकि पूर्व में ऐसे प्रकरण प्रकाश में आये हैं, जिनमें बैंक गारण्टियाँ संदिग्ध पाये जाने के फलस्वरूप विभाग को आर्थिक क्षति उठानी पड़ी तथा उत्तरदायी व्यक्तियों के विरुद्ध वसूली आदेश भी निर्गत करने पड़े थे। संदिग्ध बैंक गारण्टियों की समस्या से बचने के लिए केन्द्रीय सतर्कता आयोग द्वारा आदेश संख्या 02-07-01-CTE-30 दिनांक 31.012.2007 निर्गत किया गया है, जिसकी छायाप्रति संलग्न की जा रही है।

उक्त दिशा निर्देशों के अनुसार:-

- मूल बैंक गारण्टी बैंक द्वारा सम्बन्धित कार्यालय को रजिस्टर्ड/स्पीड पोस्ट द्वारा सीधे प्रेषित की जानी चाहिए। यदि किसी औचित्यपूर्ण कारणोंवश बैंक गारण्टी सम्बन्धित फर्म को दी जानी आवश्यक हुई तो बैंक द्वारा उक्त बैंक गारण्टी की मोहर रहित द्वितीय प्रति बैंक द्वारा पत्र के माध्यम से इस अनुरोध के साथ प्रेषित की जानी चाहिए कि मूल बैंक गारण्टी का उसकी द्वितीय प्रति से मिलान करके इसकी वास्तविकता सत्यापित कर ली जाये।
- प्राप्त की गयी बैंक गारण्टी का अनुबंध के गठन के पूर्व बैंक की सम्बन्धित शाखा से सत्यता की पुष्टि करा ली जाये।
- बैंक गारण्टी हेतु निविदा प्रपत्र में प्रारूप संलग्न किया जाय तथा यह सुनिश्चित किया जाये कि प्रस्तुत की गयी बैंक गारण्टी शब्दशः मूल प्रारूप के अनुरूप ही है।
- बैंक गारण्टी के सामयिक नवीनीकरण हेतु समय रहते कार्यवाही प्रारम्भ कर दी जानी चाहिए, अन्यथा की परिस्थिति में बैंक गारण्टी को नगदीकृत कराने में किसी प्रकार का विलम्ब न किया जाये।

शासन द्वारा बैंक गारण्टियों के सम्बन्ध में शासनादेश संख्या ए-2-3280/10-82-15-1 (19)-69 दिनांक 22.04.1993 द्वारा बैंक गारण्टी का मानक प्रारूप प्रेषित किया गया है, जिसे इस ज्ञाप के साथ संलग्न किया जा रहा है। इसी क्रम में भारत सरकार की वित्त मंत्रालय द्वारा जारी ज्ञाप संख्या 9/7/75-बी0ओ0 III दिनांक 20.07.2082 द्वारा बैंक गारण्टियों के सम्बन्ध में दिशा निर्देश प्रसारित किये गये हैं। इसकी छायाप्रति भी आपके मार्गदर्शन अनुपालन हेतु संलग्न कर प्रेषित की जा रही है। उक्त के साथ निम्न बिन्दुओं पर भी ध्यान दिया जाना अपेक्षित है:-

- अनुबंध में वर्णित बैंकों द्वारा निर्गत गारण्टियाँ ही स्वीकार की जाये।
- यह सुनिश्चित किया जाये कि बैंक गारण्टी irrevocable तथा बैंक गारण्टी पर बैंक गारण्टी निर्गत करने वाले बैंक अधिकारी का नाम, पदनाम, तथा कोड नं0 भी अंकित किया गया है।
- बैंक गारण्टियों की पुष्टि हेतु अथवा उन्हें नगदीकृत कराये जाने हेतु पत्र लिखे जाते समय निर्गतकर्ता बैंक ब्रांच के नियंत्रक कार्यालय को भी तदनुसार कार्यवाही हेतु पत्र प्रेषित किया जाना चाहिए।

यदि डाक द्वारा सत्यापन का अनुरोध किया जाता है तो ऐसे पत्र केवल रजिस्टर्ड डाक अथवा स्पीड पोस्ट से प्रेषित किये जायेंगे, अर्थात् इस हेतु कोरियर सेवाओं का प्रयोग नहीं किया जायेगा।

E.D.F.  
For uploading  
on the website  
26/2  
G.M.E.R.

Chief General Manager  
C. & D.S., U.P. Jal Nigam  
Lucknow

# कन्सट्रक्शन एण्ड डिजाइन सर्विसेज

उत्तर प्रदेश जल निगम

(उ०प्र० सरकार का उपक्रम)



प्रधान कार्यालय :- टी.सी.-38-वी. विभूति खण्ड, गोमती नगर लखनऊ-226010

फोन: +91 522 2728985 फैक्स: +91 522 2728988

Visit us at: [www.cdsupjn.org](http://www.cdsupjn.org)

e-mail: [director@cdsupjn.org](mailto:director@cdsupjn.org)

पत्रांक: .....

दिनांक: .....

- यदि बैंक गारण्टी की पुष्टि हेतु व्यक्तिगत रूप से अधिकृत व्यक्ति को भेजा जाता है तो उनके द्वारा बैंक के संबंधित शाखा एवं नियंत्रक कार्यालय में व्यक्तिगत रूप से उपस्थित होकर पुष्टि पत्र प्राप्त किया जाना चाहिए।
- ठेकेदार को किसी प्रकार का भुगतान बैंक गारण्टी की सत्यता की पुष्टि होने के उपरान्त ही किया जाये।
- कार्यालय में बैंक गारण्टियों के रख-रखाव हेतु पंजिका बनायी जाये एवं उसका समय-समय पर अवलोकन करते हुए गारण्टियों के नवीनीकरण की कार्यवाही समय से सुनिश्चित की जाये। इसका व्यक्तिगत उत्तरदायित्व संबंधित परियोजना प्रबन्धक एवं यूनिट लेखाकार का होगा, जो किसी प्रकार की शिथिलता की परिस्थिति में आर्थिक क्षति हेतु उत्तरदायी माने जायेंगे।
- बैंक गारण्टियों को अवमुक्त करने के पूर्व सक्षम स्तर से अवमुक्त करने की स्वीकृति अवश्य प्राप्त कर ली जानी चाहिए।
- प्रायः देखा जाता है कि परियोजना प्रबन्धकों द्वारा बैंक गारण्टियों के नवीनीकरण हेतु बैंक को पत्र लिखे जाते हैं, जबकि नवीनीकरण का अनुरोध सम्बन्धित ठेकेदार से किया जाना चाहिए तथा उक्त की प्रति बैंक को इस अनुरोध के साथ प्रेषित किया जाये कि निर्धारित तिथि तक बैंक गारण्टी के नवीनीकरण का अनुरोध ठेकेदार से न प्राप्त होने पर बिना किसी अग्रिम निर्देश की प्रतीक्षा किये प्रश्नगत बैंक गारण्टी को इनकैश कर लिया जाये।

उपरोक्त दिशा निर्देशों का कड़ाई से अनुपालन सुनिश्चित किया जाये।

**संलग्नक: उपरोक्तानुसार।**

(राजेश मित्तल)  
निदेशक

**पृ०सं० एवं दिनांक उपरोक्तानुसार।**

**प्रतिलिपि निम्नलिखित को सूचनार्थ एवं आवश्यक कार्यवाही हेतु प्रेषित:-**

1. समस्त मुख्य महाप्रबन्धक, सी० एण्ड डी०एस०, उ०प्र० जल निगम, ।
2. समस्त महाप्रबन्धक, सी० एण्ड डी०एस०, उ०प्र० जल निगम।
3. वरिष्ठ लेखाधिकारी, सी० एण्ड डी०एस०, उ०प्र० जल निगम लखनऊ।
4. समस्त परियोजना प्रबन्धक, सी० एण्ड डी०एस०, उ०प्र० जल निगम।
5. समस्त यूनिट लेखाकार, सी० एण्ड डी०एस०, उ०प्र० जल निगम।

निदेशक

## GOVERNMENT OF INDIA

-----  
 MINISTRY OF FINANCE  
 DEPARTMENT OF ECONOMIC AFFAIRS  
 (Banking Division)

'JEEVAN DEEP'  
 PARLIAMENT STREET,  
 NEW—DELHI—110001.  
 Dated July 20, 1982

## OFFICE MEMORANDUM

Subject : Bank Guarantee Scheme—Model Bank Guarantee Form

-----

The undersigned is directed to refer to para 3 of this Ministry's Office Memorandum No. 9(7)-P.O.-111-75, dated 2nd November, 1977 (copy enclosed) on the above subject, and to say that the question of amending the Model Form of the Bank Guarantee Bond has been considered in consultation with the Ministry of Law, Reserve Bank of India and Indian Banks' Association. It has been decided to specifically provide in the Bank Guarantee Form that the liability or obligation of the banks under the guarantee bonds shall not be affected or suspended by any dispute(s) between the Government and the contractor(s) supplier(s) and the payments under the guarantee bonds need not wait till the disputes are decided by a competent court or tribunal and that any payments made by the banks to the Government Departments etc. under the guarantee bonds shall be deemed to have been rightfully and lawfully made. It has also been decided to provide in the guarantee bond that the guarantee bond will not be discharged due to the change in the constitution of the bank or the contractor(s)/supplier(s). The enclosed Model Form of the Bank Guarantee has been revised accordingly, which has also been approved by the Department of Expenditure and the Comptroller and Auditor-General of India. The Central Government Departments, Railways as well as State Governments, Public Sector Undertakings and autonomous bodies freely accept bank guarantees from all scheduled commercial banks, in lieu of security or deposits by contractor(s)/supplier(s) for due fulfilment of the contracts for supply of stores or execution of any work. If introduction of any additional clause or alterations in the clause of the Model Form of the guarantee are considered necessary owing to the peculiarities of certain contracts, it may be ensured that these additions/alterations are not one-sided and are made in agreement with the guaranteeing bank.

2. While it is obligatory on the banks to honour the guarantees without delay and hesitation, wherever they are invoked in accordance with the terms and conditions of the guarantee deed, unless here is a Court order restraining them in this regard, it will be appreciated that invoking of a guarantee on insufficient grounds will cause discontentment and avoidable disputes and litigation. It is, therefore, requested that it may be impressed on all concerned that the bank guarantees should be invoked only when there is a specific breach on the part of the contractor of the terms and conditions of the relevant agreement and the Bank Guarantee Bond, and that the decision to invoke the guarantee should be taken, as far as possible, by an officer higher in rank than the officer who accepted the guarantee. In this connection, it may be stress that all claims under the guarantee bond should be made and lodged with the bank within the period specified in the relevant guarantee bond. It will not be legally possible for the banks to admit a claim which is not made within the period specified in the guarantee bond or which is not strictly in accordance with the terms and conditions of the bond. It may also be clarified that a guarantee bond is issued by the bank at the request of the contractor(s)/supplier(s) and it can be renewed or its period of validity extended only at the request of the contractor(s)/supplier(s) concerned. It is, therefore, not possible for the banks to renew or extend the period of validity of a Bank Guarantee Bond at the request of the beneficiary Government Department/public sector undertakings, etc. Government Departments/public sector undertakings, etc. should, therefore, be advised to take appropriate action to protect their interests well in advance of the date of the expiry of the Bank Guarantee Bond.

3. As already suggested in this Department's Office Memorandum, dated 2nd November, 1977, the Government Departments/public sector undertakings, etc. should refrain from asking the banks to give guarantees for indefinite periods or unduly long periods and return the expired guarantees within a reasonable period (viz. 3 months) after the fulfilment of the contracts or expiry of the guarantee period.

As the guarantees given by the banks are their contingent liabilities, it may kindly be ensured that the guarantee bonds are returned to the banks concerned soon after the relevant contracts are fulfilled or on expiry of the guarantee periods and in any case within a period of three months of expiry.

N. D. BATRA,

*[Under Secretary to the Government of India.]*

To,

All Ministries/Departments of Government of India.  
COPY with a copy of the enclosures forwarded to—

(1) Chief Secretary to the State Governments and Union Territories with the request that they may kindly issue necessary instructions in this regard to the Departments, public sector undertakings, autonomous bodies etc., under them.

(2) Bureau of Public Enterprises with the request that these may be circulated among all public sector enterprises.

(3) Department of Expenditure (E./II-A) with reference to their U. O. No. 1176-E. -II-A, dated June 8, 1982.

(4) The Comptroller and Auditor-General of India, New Delhi with reference to their U.O. no. 769-T.A.(II)-162-82, dated July 8, 1982.

(5) Reserve Bank of India, DBOD, Central Office, Bombay with the request that they may kindly issue suitable instructions to all scheduled commercial banks.

Copy of Office Memorandum No. F. 9(7)—B. O-111-75, dated 2nd November, 1911 from SHRI BALDEV SINGH, Joint-Secretary to the Government of India, Ministry of Finance, Department of Economic Affairs, Banking Division, New Delhi, addressed to All Ministries/Departments of Government of India Bureau of Public Enterprises, Chief Secretaries of the State Governments and Union Territories and Reserve Bank of India, DBOD, Bombay.

**Subject : Bank Guarantee Scheme - Complaints regarding**

The undersigned is directed to say that this Department had circulated a model form for bank guarantees and the Government Departments were advised that they may freely accept guarantees from all scheduled commercial banks. Of late, a number of complaints have been received from the user Departments/public sector undertakings that the banks do not honour the guarantees, when invoked, and from the banks that the user Departments/public sector undertakings invoke the guarantees on insufficient grounds and in a manner detrimental of the interest of the guarantor Bank, ask for changes in the prescribed form of the guarantee which may jeopardise the interests of the banks vis-a-vis, the principal debtor, insist on guarantees being given for indefinite period or unduly long periods and do not return the expired guarantee bonds after fulfilment of the contract or after the expiry of the period of the guarantees.

2. To safeguard the interests of the Government Departments/public sector undertakings and to ensure that there is no discontentment in regard to the working of the Bank Guarantee Scheme the Reserve Bank have issued instructions to all scheduled commercial banks to honour the guarantees without delay and hesitation wherever they are invoked in accordance with the terms and conditions of the guarantee deed unless there is a court order restraining them in this regard. Any decision not to honour the obligation under a guarantee should be taken after careful consideration, at a fairly senior level, and only in circumstances where the bank is satisfied that any such payment to the beneficiary would not be deemed rightful payment within the meaning of Section 145 of the Contract Act.

It is requested that all user Department/public sector undertakings may also issue instructions to the concerned officers under them that bank guarantees should be invoked only when there is a specific breach on the part of the contractor and strictly in terms and conditions of the relative agreement, and that the decision to invoke the guarantee should be taken, as far as possible by an officer higher in rank than the officer who accepted the guarantee.

3. The question whether any amendment is necessary to the form of the guarantee bond, to minimise the dispute of the type referred to above, is being considered in consultation with the Ministry of Law. If any changes are found necessary in the revised model form, these will be circulated to all concerned in due course.

4. Guarantees given by the banks are their contingent liabilities. Therefore, if guarantees are asked for and given for indefinite periods (or are not returned to the banks after the relative contracts are fulfilled or on the expiry of the guarantee periods) they give an unreal picture of the contingent liabilities of the banks in their balance sheets. Secondly, the banks secure their own position by obtaining counter guarantees from acceptable sureties. If guarantees for unlimited period/long period are insisted upon, no acceptable sureties will be forthcoming and banks will be unable to give guarantees on behalf of their constituents. Thirdly, Banks are permitted to give unsecured guarantees only up to a particular limit. Guarantees for unduly long or indefinite period would exhaust this limit fairly quickly. Lastly, as banks charge commission for giving guarantees for as long period as they are in vogue, contractors will have to pay guarantee commission for indefinite/long period, not warranted by the nature of the contract, and this will indirectly raise the cost of the Government contracts.

5. In view of this it is suggested that the Government Department/public sector institutions should refrain from asking the banks to give guarantees for indefinite periods or unduly long periods and return the expired guarantees within a reasonable period (say three months) after the fulfilment of the contracts or on expiry of the guarantee period.

6. As regards introduction of additional clause or changes in the clauses of the Model Form of the Guarantee while such changes may be found necessary to fit the Model Form of Guarantee Bond to the peculiarities of certain contracts, it may be ensured that these changes are not one-sided and are made in agreement with the guaranteeing bank.

प्रेषक,

श्री जी० एस० श्रीवास्तव,  
उप सचिव,  
उत्तर प्रदेश शासन,

सेवा में

ममस्त विभागाध्यक्ष एवं प्रमुख कार्यालयाध्यक्ष,  
उत्तर प्रदेश।

लखनऊ दिनांक 22 अप्रैल, 1983

विषय :—सरकारी ठेकों के सम्पादन के लिये ठेकेदारों से नकद जमानत के बदले अनुसूचित बैंकों की गारन्टी प्राप्त करने के प्रपत्र का संशोधन।

महोदय,

विस  
(लेखा)  
अनुभाग-2

मुझे यह कहने का निदेश हुआ है कि रिजर्व बैंक ऑफ इंडिया की बैंक गारन्टी स्कीम के अन्तर्गत अनुसूचित बैंकों से गारन्टी प्राप्त करने का प्रपत्र शासनादेश संख्या-15/1(19);(69)/वि०वि०ले०-1, दिनांक 4 मई, 1970 द्वारा निर्धारित किया गया था। उपरोक्त प्रपत्र में कुछ कमियां सामने आई हैं जिनके फलस्वरूप ठेके के कारर (एग्रीमेंट) की शर्तों का पालन न करने की स्थिति में ठेकेदारों द्वारा की गई मुकदमेवाजी के कारण सरकार को बैंक गारन्टी का धन प्राप्त होने में अड़चने हुई हैं। कभी-कभी बैंक अथवा ठेकेदार द्वारा अपने संविधान में कतिपय संशोधन अथवा परिवर्तन कर दिये जाने के कारण भी गारन्टी की वैधता प्रभावित हुई है। इन सब परिस्थितियों का निराकरण करने के उद्देश्य से भारत सरकार के वित्त मन्त्रालय के आधिकारिक विभाग के बैंकिंग डिवीजन ने विधि मन्त्रालय, रिजर्व बैंक ऑफ इंडिया तथा इंडियन बैंक्स एसोसिएशन से परामर्श कर उनकी सहमति से अनुसूचित बैंकों से गारन्टी प्राप्त करने का संशोधित प्रपत्र निर्धारित किया है जिसकी प्रति संलग्न है।

2—प्रदेश सरकार ने उपरोक्त प्रपत्र में अनुसूचित बैंकों से गारन्टी लेने का मुद्दाब स्वीकार कर लिया है। प्रतः आपसे अनुरोध है कि भविष्य में ठेकेदारों से अनुसूचित बैंकों की गारन्टी केवल संलग्न प्रपत्र में ही ली जाय।

3—संलग्न प्रपत्र के पैरा-4 में वह दिनांक भरा जाना है जब तक बैंक गारन्टी वैध होगी। चूंकि ठेकों की अवधि अक्सर बढ़ाई जाती है, प्रतः शासन के हितों की सुरक्षा हेतु यह आवश्यक है कि ठेके के सम्पादन के लिये जो अवधि हो उससे 6 मास अधिक की अवधि के लिये बैंक गारन्टी प्राप्त की जाय जिससे कि कार्य पूर्ण होने के बाद भी उसे लागू करने का पर्याप्त समय बचे।

4—सम्बद्ध वैभागीक अधिकारी का यह उत्तरदायित्व होगा कि वह जब कभी ठेके की अवधि बढ़ाये तो उससे पहले गारन्टी की अवधि भी उसी अनुपात में बढ़वा ली जाय अथवा ठेकेदार से नई गारन्टी प्राप्त कर ली जाय।

5—संदर्भित शासनादेश दिनांक 4 मई, 1970 में यह निदेश दिये गये थे कि जिस ठेके में जमानत बैंक गारन्टी के रूप में ली जाय उसकी शर्तों में यह शर्त अनिवार्य रूप से शामिल की जाय कि "यदि किसी कारणवश ठेके की अवधि बढ़ाई जाती है तो ठेकेदार के लिये यह अनिवार्य होगा कि जितनी अवधि के लिये ठेका बढ़ाया जाय उतनी अवधि के लिये वह बैंक गारन्टी की अवधि बढ़वाएगा अथवा उसके लिये नई बैंक गारन्टी प्रस्तुत करेगा, और यदि ठेकेदार ऐसा नहीं करता है अथवा करने से इन्कार करता है तो वह ठेके का उल्लंघन समझा जायगा और शासन को यह अधि-कार होगा कि वह बैंक गारन्टी को लागू करके उसका धन बैंक से प्राप्त कर ले।" अनुरोध है कि इस शर्त का ठेकों में शामिल किया जाना सुनिश्चित किया जाय और यदि ठेकेदार बैंक गारन्टी की अवधि बढ़ाने के लिये या नई बैंक गारन्टी देने के लिये सहमत न हो तो ठेके की समयवधि कदापि न बढ़ायी जाय तथा यह आभार लेकर कि ठेके की शर्तों का उल्लंघन हुआ है, बैंक गारन्टी को लागू करके उसका सम्पूर्ण धन संबंधित बैंक से प्राप्त कर लिया जाय।

6—यह उल्लेखनीय है कि यदि स्थानीय परिस्थितियोंवश अथवा कार्य की प्रकृति विशेष के कारण शासन के हितों की सुरक्षा हेतु संलग्न प्रपत्र में कोई संशोधन करना आवश्यक हो तो वह संबंधित बैंक की सहमति से ही कराया जा सकेगा तथा उस पर आसकीय हस्तांतरक (Government Conveyanor) का पुर्वानुमोदन प्राप्त करना आवश्यक होगा।

भवदीय,  
जी० एस० श्रीवास्तव,  
उप सचिव।

संख्या—ए-2-3280(1)/दस--82-15-1(19)-69 तद्विधाक

प्रतिलिपि निम्नलिखित को सूचनाएं एवं आवश्यक कगयेंधाही हतु प्रपित.—

- 1--महालेखाकार, उत्तर प्रदेश, इलाहाबाद ।
- 2--सचिवालय के समस्त अनुभाग।
- 3--सचिव, भारत सरकार, वित्त मन्त्रालय प्राथिक कगयें विभाग (बैंकिंग प्रभाग) नई दिल्ली को उनके पत्र संख्या-9/20/82-बी0ओ0-111, दिनांक 6-11-82 के सदरभ में ।
- 4--नियन्त्रक महालेखा परीक्षक, भारत सरकार, नई दिल्ली ।
- 5--रिजर्व बैंक आफ इंडिया, डी0बी0ओ0डी0, सेंट्रल, प्रापि.स बम्बई ।
- 6--शासकीय हस्तातरक, न्याय (लेखा) अनुभाग ।

आज्ञा से,  
जी० एस० श्रीवास्तव,  
उप सचिव ।

**REVISED MODEL FORM OF BANK GUARANTEE BOND  
GUARANTEE BOND**

In consideration of the Governor of Uttar Pradesh (hereinafter called "the Government") having agreed to exempt \_\_\_\_\_ (hereinafter called "the said Contractor(s)") from the demand, under the terms and conditions of an Agreement, dated \_\_\_\_\_ made between \_\_\_\_\_ and \_\_\_\_\_ for \_\_\_\_\_ (hereinafter called "the said Agreement"), of security deposit for the due fulfilment by the said Contractor(s) of the terms and conditions contained in the said Agreement, on production of a bank guarantee for Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_ only) we, \_\_\_\_\_, (hereinafter referred to as "the Bank") at (indicate the name of the bank) the request of \_\_\_\_\_ /contractor(s)/ do hereby undertake to pay to the Government an amount not exceeding Rs. \_\_\_\_\_ against any loss or damage caused to or suffered or would be caused to or suffered by the Government by reason of any breach by the said Contractor(s) of any of the terms or conditions contained in the said Agreement.

2. We \_\_\_\_\_ do hereby undertake to pay the amounts (indicate the name of bank) due and payable under this guarantee without any demur, merely on a demand from the Government stating that the amount claimed is due by way of loss or damage caused to or would be caused to or suffered by the Government by reason of breach by the said contractor(s) of any of the terms or conditions contained in the said Agreement or by reason of the contractor(s) failure to perform the said Agreement. Any such demand made on the bank shall be conclusive as regards the amount due and payable by the Bank under this guarantee. However, our liability under this guarantee shall be restricted to an amount not exceeding Rs. \_\_\_\_\_.

3. We undertake to pay to the Government any money so demanded notwithstanding any dispute or disputes raised by the contractor(s) supplier(s) in any suit or proceeding pending before any court or Tribunal relating thereto our liability under this present being absolute and unequivocal.

The payment so made by us under this bond shall be a valid discharge of our liability for payment thereunder and the contractor(s) supplier(s) shall have no claim against us for making such payment.

4. We, \_\_\_\_\_ further agree that the guarantee herein (indicate the name of bank) contained shall remain in full force and effect during the period that would be taken for the performance of the said Agreement and that it shall continue to be enforceable till all the dues of the Government under or by virtue of the said Agreement have been fully paid and its claims satisfied or discharged or filed \_\_\_\_\_ Office/ Department) certifies that the terms and conditions of the said Agreement, have been fully and properly carried out by the said Contractor(s) and accordingly discharges this guarantee. Unless a demand or claim under this guarantee is made on us in writing on or before the \_\_\_\_\_ we shall be discharged from all liability under this guarantee thereafter.

5. We, \_\_\_\_\_ further agree with the Government that the Government shall have the fullest liberty without our consent and without affecting in any manner our obligations hereunder to vary any of the terms and conditions of the said Agreement or to extend time of performance by the said contractor(s) from time to time or to postpone for any time or from time to time any of the powers exercisable by the Government against the said Contractor(s) and to for bear or enforce any of the terms and conditions relating to the said agreement and we shall not be relieved from our liability by reason of any such variation or extension being granted to the said Contractor(s) or for any forbearance, act or commission on the part of the Government or any indulgence by the Government to the said Contractor(s) or by any such matter or thing whatsoever which under the law relating to sureties would, but for this provision, have effect of so relieving us.

6. This guarantee will not be discharged due to the change in the constitution of the Bank or the Contractor(s)/Supplier(s).

7. We, \_\_\_\_\_ lastly undertake not to revoke this guarantee during (indicate the name of bank) its currency except with the previous consent of the Government in writing.

Dated the \_\_\_\_\_ day of \_\_\_\_\_

for \_\_\_\_\_  
(indicate the name of Bank).



No. 02-07-01-CTE-30  
Government of India  
Central Vigilance Commission  
\*\*\*\*\*

Satarkata Bhawan, Block 'A',  
GPO Complex, INA,  
New Delhi-110023.

OFFICE MEMORANDUM

*Circular No. 01/01/08*

31 DEC 2007

Sub. : Acceptance of Bank Guarantees.

A number of instances have come to the notice of the Commission where forged / fake bank guarantees have been submitted by the contractors/suppliers. Organizations concerned have also not made any effective attempt to verify the genuineness / authenticity of these bank guarantees at the time of submission.

2. In this background, all organizations are advised to streamline the system of acceptance of bank guarantees from contractors/suppliers to eliminate the possibility of acceptance of any forged/fake bank guarantees.

3. The guidelines on this subject issued by Canara Bank provides for an elaborate procedure, which may be found helpful for the organizations in eliminating the possibility of acceptance of forged/fake bank guarantees. The guidelines issued by Canara Bank provides that -

“The original guarantee should be sent to the beneficiary directly under Registered Post (A.D.). However, in exceptional cases, where the guarantee is handed over to the customer for any genuine reasons, the branch should immediately send by Registered Post (A.D.) an unstamped duplicate copy of the guarantee directly to the beneficiary with a covering letter requesting them to compare with the original received from their customer and confirm that it is in order. The A.D. card should be kept with the loan papers of the relevant guarantee.


At times, branches may receive letters from beneficiaries, viz., Central/State Governments, public sector undertakings, requiring bank's confirmation for having issued the guarantee. Branches must send the confirmation letter to the concerned authorities promptly without fail.”

4. Therefore, all organizations are advised to evolve the procedure for acceptance of BGs, which is compatible with the guidelines of Banks/Reserve Bank of India. The steps to be ensured should include-

- i) Copy of proper prescribed format on which BGs are accepted from the contractors should be enclosed with the tender document and it should be verified verbatim on receipt with original document.
- ii) It should be insisted upon the contractors, suppliers etc. that BGs to be submitted by them should be sent to the organization directly by the issuing bank under Registered Post (A.D.).
- iii) In exceptional cases, where the BGs are received through the contractors, suppliers etc., the issuing branch should be requested to immediately send by Registered Post (A.D.) an unstamped duplicate copy of the guarantee directly to the organisation with a covering letter to compare with the original BGs and confirm that it is in order.
- iv) As an additional measure of abundant precaution, all BGs should be independently verified by the organizations.
- v) In the organisation/unit, one officer should be specifically designated with responsibility for verification, timely renewal and timely encashment of BGs.

5. Keeping above in view, the organizations may frame their own detailed guidelines to ensure that BGs are genuine and encashable.

6. Receipt of the above guidelines should be acknowledged.



(Smt. Padamaja Varma)  
Chief Technical Examiner

To

All Chief Vigilance Officers