



GOVERNMENT OF SIKKIM
FINANCE, REVENUE AND EXPENDITURE DEPARTMENT
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No. 177 / Fin/Adm / 10 - II / Pt - II / 46 /

Dated: 3/01/18

CIRCULAR

SUBJECT: ACCEPTANCE OF BANK GUARANTEE/TDRs/FDRs.

Attention is invited to Circular No. 16/Fin/Adm/2016-17 dated 10.05.2016 (Copy enclosed), wherein certain provisions relevant to the subject along with necessary guidelines were issued for compliance.

However, of late, non compliance of the said instructions has come to the notice of the Government. It is therefore, once again re-iterated and advised to all Heads of Departments, Head of Offices and the Drawing and Disbursing Officers to strictly comply the procedure prescribed in the Circular while dealing with Bank Guarantee/TDRs/FDRs.

Further, it is also necessary on the part of Administrative Department to ensure that all such Bank Guarantee that are furnished as Security needs to be in valid state during the period of the contract/supplies, so that such instruments are encashable in the case of Non-performance of contract/any agreement in order to protect the interest of the State Government.

By Order.


**PRINCIPAL SECRETARY
FINANCE, REVENUE & EXPENDITURE DEPARTMENT**

Memo No. 881-892

Dated: 3/01/18

Copy to:

1. All Heads of Departments, Government of Sikkim
2. Principal Secretary to His Excellency the Governor of Sikkim, Raj Bhawan, Gangtok.
3. Principal Secretary to HCM, Government of Sikkim
4. Registrar General, High Court of Sikkim
5. Accountant General of Sikkim, Lekha Pariksha Bhawan, Deorali
6. Principal Director, Treasury, Pay & Accounts Office
7. Director, AATI
8. Sr. P.S. to Chief Secretary, Government of Sikkim
9. P.S. to Addl. Chief Secretary, Government of Sikkim
10. All Drawing & Disbursing Officer
11. Asst. Director (IT), FR&ED, for hoisting in official website
12. File & Guard File.


**CONTROLLER OF ACCOUNTS
FINANCE, REVENUE & EXPENDITURE DEPARTMENT**

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FINANCE, REVENUE AND EXPENDITURE DEPARTMENT
GOVERNMENT OF SIKKIM
GANGTOK

No. 16/Fin/Adm/2016-17

Dated 10 /05/ 2016

CIRCULAR

Subject:- ACCEPTANCE OF BANK GUARANTEE/ TDRs/ FDRs

Attention is invited to sub-paragraph (3) of Paragraph 24.6 of Sikkim Public Works Manual 2009 relating to release of **Mobilization Advance** to the Contractor/ Supplier against a Bank Guarantee of equivalent amount valid for the entire period of contract from any of the schedule bank. Similarly, paragraph 14.3 & 14.4 of Sikkim Public Works Manual 2009, prescribes the procedure for rate & mode of deposit of **Earnest Money** by the Contractor / Supplier.

Of late a number of instances have come to the notice of the Government where forged / fake Bank Guarantee/ Temporary Deposit Receipts / Fixed Deposit Receipts appears to have been submitted by the contractor/supplier.

In this background, all the Heads of Department / PSUs are advised to streamline the system of acceptance of Bank Guarantee from contractor/supplier to eliminate the possibility of acceptance of any forged & fake Bank Guarantees / Temporary Deposit Receipts / Fixed Deposit Receipts.

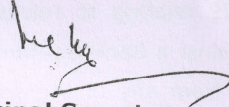
The following guidelines on this subject therefore, are issued that provides a procedure, which may be helpful for all the Departments in eliminating the possibility of acceptance of Forged & Fake Bank Guarantees/ Temporary Deposit Receipts / Fixed Deposit Receipts.

1. The Drawing & Disbursing Officer of the Department should retain the original Bank Guarantee / Temporary Deposit Receipts / Fixed Deposit Receipts in his safe custody duly recorded in a register maintained for the purpose.
2. A certified copy of the bank Guarantee/ Temporary Deposit Receipts / Fixed Deposit Receipts shall be sent to the issuing bank directly under a Registered Post / Speed Post (A.D.) by the department concerned prior to the issue of work order for verification of authenticity of the instrument.

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3. No work order/ supply order/ job contracts / assignments shall be issued without receipt of proper verification letter on the genuineness of the Bank Guarantee/ Temporary Deposit Receipts / Fixed Deposit Receipts from the concerned branch of the issuing such instrument.
4. All verification of genuineness of the instruments shall be made by the by Registered Post / Speed Post (A.D.) only
5. Therefore, all the Departments / PSUs are advised to follow the above procedure for acceptance of Bank Guarantee / Temporary Deposit Receipts / Fixed Deposit Receipts in future. The existing instruments with the departments / PSUs may also be verified immediately in order to protect the interest of the Government.
6. The Heads of Department /PSUs are advised to nominate, one officer in order to specifically designate with responsibility for verification, timely renewal and timely encashment of such instruments.

BY ORDER .



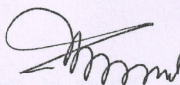
Principal Secretary.
F.No. 177/Fin/Adm/10-11

Memo No 151-161/Fin/Adm

Dated 10/05/2016

Copy for information to.

1. All Heads of Department.
2. Principal Secretary to HE the Governor of Sikkim. Raj Bhawan.
3. Principal Secretary to HCM .
4. Registrar General, High Court of Sikkim.
5. Accountant General(Audit) Sikkim
6. Director, TP&AO.
7. Director, AATI Gangtok
8. Sr.PS to Chief Secretary.
9. PS to Additional Chief Secretary.
- 10.All Drawing & Disbursing Officers.
- 11.File &
- 12.Guard File



Controller of Accounts
Finance, Revenue & Expenditure Department.