



भारतीय राष्ट्रीय राजमार्ग प्राधिकरण
(सड़क परिवहन और राजमार्ग मंत्रालय)
National Highways Authority of India
(Ministry of Road Transport & Highways)
G-5 & 6, Sector-10, Dwarka, New Delhi-110075

Phone : 91-11-25074100/2574200
Fax : 91-11-25093507/25093514
Extn. : 2223/2318/2468/2553

No. 11041/217/2007-Admn.

28th June 2007

POLICY MATTERS-ADMINISTRATION/FINANCE (12/2007)

(Decision taken on Finance Division's File No. 16001/1/2007 DGM(F VI))

Sub: Procedure for seeking invocation of the Bank Guarantee(s)

Further to the Policy Circular (79/2004) of even number dated 15th March 2004 under which the procedure for seeking extension or invocation of Bank Guarantees (BGs) was prescribed, the following additional points should be complied with while invoking the BGs:

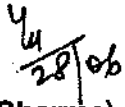
- I. After obtaining approval of the competent authority for invoking the Bank Guarantees, it may be ensured that
 - (i) the claim/invocation should be made by inviting specific reference to the default in the performance guaranteed under the bank guarantee; &
 - (ii) the claim/invocation is made by or on behalf of the beneficiary named in the bank guarantee (i.e., if the guarantee is issued favouring Chairman, NHA, the invocation may also be made by or on behalf of the Chairman) along with all the **original** BGs and subsequent amendments/extensions.

A copy of claim/invocation letter may also be given to the Controlling Office of Branch (Bank).

- II. Acknowledgement showing full signature, name and designation of receiving official in respect of the receipt of invocation letter on behalf of the bank may be kept on record. The acknowledgement must be dated and time of receipt should also be recorded.
- III. Regular follow up may be made with the branch and its controlling office to immediately obtain the proceeds and ensure that a demand draft or pay order is collected from the concerned branch. Effort should be made to collect the proceeds on the same working day or latest in the morning hours of next working day.

Cont....2

- IV. In the event of non-encasement or delay by the bank, complete facts may be brought to the notice of the controlling as well as Corporate Office of the bank under intimation to Divisional heads at Corporate Office, NHAI, New Delhi.
2. All concerned are advised to strictly adhere to the procedure prescribed for invocation of bank guarantee (s).
3. This issues with the approval of the Chairman.


(V.K. Sharma)
General Manager (Admn.)

To :

All Members
All CGMs/CVO/GMs
All DGMs/Managers
All PIUs/CMUs/SPVs

Copy for information to:

PS to Chairman