

	<b>East Central Railway</b>	<b>Office of GM (Vigilance) Hajipur Pin-844401</b>
<b>File NO. ECR/System Improvement/V2/362</b>		<b>Date : 28.08.2025</b>

CHIEF ADMINISTRATIVE OFFICER/ECR/MHX/PNBE  
PFA, PCPO, PCCM, PCE, PCEE, PCMD, PCME, PCMM, PCOM, PCSC, PCSTE  
EAST CENTRAL RAILWAY, HAJIPUR  
DIVISIONAL RAILWAY MANAGER  
EAST CENTRAL RAILWAY, DDU/DHN/DNR/ SEE/SPJ

**Sub :- System Improvement regarding submission of Bank  
Guarantee in prescribed proforma.**

During Preventive Check in a division of East Central Railway, it is found that the Bank Guarantee as submitted by an agency was not in prescribed proforma. Submission of Bank Guarantee in prescribed proforma is essential to avoid any legal or other obligations during the period of contract and even at the later stages too.

The prescribed format of Bank Guarantee is given in Appendix X of Indian Railway Accounts Code Vol. I. as well as Annexure VI A of GCC 2022.

Therefore, it is suggested that the Bank Guarantee, as submitted by the agency for awarded contract, should be submitted in the prescribed proforma i.e. as per Appendix X of Accounts Code Vol. I or as per the latest General condition of Contract (Works/Services) or as per the latest guidelines issued by the Railway Board in this regard (if any).

This is issued with the approval of SDGM/ECR/HJP.

*Ak Singh 20/08/25*  
(Amit Kumar Singh)  
Dy. CVO/Accounts

## APPENDIX X

(SEE Para 1815)

### GURANTEE BOND

(To be used by approved Schedule Banks

In consideration of the President of India (hereinafter called "the Government") have 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 Contractors) of the terms and conditions contained in the said Agreement, on production of a Bank Guarantee for Rs.....(rupees.....only), we.....Bank Ltd. (hereinafter referred to as "the Bank Ltd;") 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, .....Bank Ltd. do hereby undertake to pay the amounts due and payable under this a 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 any 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, .....Bank Ltd. further agree that the guarantee herein 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 till.....(Office/Department), Ministry of.....certifies that the terms and conditions of the said Agreement have been fully and properly carried out by the said Contractors) and accordingly discharge the 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.



4. We, ..... Bank Ltd. 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 Contractors) 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 Contractors) and to forbear 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 Contractors) or for any forbearance act or omission on the part of the Government or any indulgence by the Government to the said Contractor(s) or any such matter or thing whatsoever which under the law relating to sureties, would but for this provision have effect of so relieving us.

5. We, ..... Bank Ltd. lastly undertake not to revoke this guarantee during its currency except with the previous consent of the Government in writing,

Dated the.....day of.....20  
for..... Bank Ltd.

**GUARANTEE BOND**  
(To be used by unapproved Schedule Banks)

In consideration of the President of India having at our request agreed to accept this, ..... Bank Ltd. .... Guarantee in lieu of cash deposit required from Messrs ..... for the due fulfilment by them of the terms and conditions of the Agreement dated..... made between..... and..... for..... (hereinafter called "the said Agreement"),..... during the period commencing from..... and ending on..... or the extended period if any, we, ..... Bank -Ltd., do hereby undertake to pay to the President of India (hereafter called "the Government") an amount not exceeding Rs. .... (Rupees.....) 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..... of any term or condition of the said Agreement.

2. We, ..... Bank Ltd., do hereby undertake to pay the amounts 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 suffered or would be caused to or suffered by the Government by reason of any breach by the said..... of any of the terms and conditions contained in the said Agreement or by reason of the said..... failure to perform the said Agreement. Any such demand made on the Bank shall be conclusive as regards the amount due and payable by us under this Guarantee. However, our liability under this Guarantee shall be restricted to an amount not exceeding Rs

.....(Rupees.....). We,  
..... Bank Ltd., authorise I he Government to recover the same  
directly from the Reserve Bank of India from our deposits of cash and/or securities  
with the said Bank. The said Reserve Bank of India have at the request of  
the.....Bank Ltd., agreed to pay to the Government on demand and from out of the  
said deposits any sum which may be become payable to the Government under this  
guarantee for payment.

3. We, .....Bank Ltd. further agree that the guarantee herein contained  
shall remain in full force and effect upto and inclusive of the ..... the  
date referred to above or the expiry of the extended period if any 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  
till.....(Office/Department), Ministry of..... certifies  
that the terms and conditions of the said Agreement have been fully and  
properly carried out by the said .....and accordingly discharges the  
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.

4. We, .....Bank Ltd. 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.....from time to time or to postpone for any time from time to  
time any of the powers exercisable by the Government against the  
said.....and to forbear 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.....or  
for any forbearance act or omission on the part of the Government or any indulgence  
by the Government to the said .....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.

5. We, ..... Bank Ltd. lastly undertake not to revoke this guarantee during  
its currency except with the previous consent of the Government in writing.

Dated the.....day of.....20  
for.....Bank Ltd.

\*\*\*\*\*



Annexure –VIA

Para 5 of the Instructions to Tenderers

(Bid Security)

Bank Guarantee Bond from any scheduled commercial bank of India  
(On non-judicial stamp paper, which should be in the name of the Executing Bank).

Name of the Bank: -----

President of India,

Acting through .....,

..... Railway,

Beneficiary: ..... Railway

Date: .....

Bank Guarantee Bond No.:

Date:-----

In consideration of the President of India acting through---- (*Designation & address of Contract Signing Authority*), ..... Railway, ..... (hereinafter called "The Railway") having invited the bid for ..... through Notice inviting tender (NIT) No.. .., We have been informed that . . . . [*Insert name of the Bidder*]..... (hereinafter called "the Bidder") intends to submit its bid (hereinafter called "the Bid") .

WHEREAS, the Bidder is required to furnish Bid Security for the sum of [*Insert required Value of Bid Security*], in the form of Bank Guarantee, according to conditions of Bid.

AND

WHEREAS, ..... [*Insert Name of the Bank*], with its Branch ..... [*Insert Address*] having its Headquarters office at..... [*Insert Address*], hereinafter called the **Bank**, acting through ..... [*Insert Name and Designation of the authorised persons of the Bank*], have, at the request of the Bidder, agreed to give guarantee for Bid Security as hereinafter contained, in favour of the Railway:

1. KNOW ALL MEN that by these present that I/We the undersigned [*Insert name(s) of authorizeu representatives of the Bank*], being fully authorized to sign and incur obligations for and on behalf of the Bank, confirm that the Bank, hereby, unconditionally and irrevocably guarantee to pay to the Railway full amount in the sum of [*Insert required Value of Bid Security*] as above stated.
2. The Bank undertakes to immediately pay on presentation of demand by the Railway any amount up to and including aforementioned full amount without any demur, reservation or recourse. Any such demand made by the Railway on the Bank shall be final, conclusive and binding, absolute and unequivocal on the Bank notwithstanding any disputes raised/ pending before any Court, Tribunal, Arbitration or any Authority or any threatened litigation by the Bidder or Bank.

3. The Bank shall pay the amount as demanded immediately on presentation of the demand by Railway without any reference to the Bidder and without the Railway being required to show grounds or give reasons for its demand of the amount so demanded.
4. The guarantee hereinbefore shall not be affected by any change in the constitution of the Bank or in the constitution of the Bidder.
5. The Bank agrees that no change, addition, modifications to the terms of the Bid document or to any documents, which have been or may be made between the Railway and the Bidder, will in any way absolve the Bank from the liability under this guarantee; and the Bank, hereby, waives any requirement for notice of any such change, addition or modification made by Railway at any time.
6. This guarantee will remain valid and effective from.....[insert date of issue]till .....[insert date, which should be minimum 90 days beyond the expiry of validity of Bid]. Any demand in respect of this Guarantee should reach the Bank within the validity period of Bid Security.
7. The Bank Guarantee is unconditional and irrevocable.
8. The expressions Bank and Railway herein before used shall include their respective successors and assigns.
9. The Bank hereby undertakes not to revoke the guarantee during its currency, except with the previous consent in writing of the Railway. This guarantee is subject to the Uniform Rules for Demand Guarantees, ICC Publication No.758.
10. The Bank hereby confirms that it is on the SFMS (Structured Financial Messaging System) and shall invariably send the advice of this Bank Guarantee to the following bank details –

IFSC CODE	SBIN00RAIL
IFSC TYPE	BRANCH
BANK NAME	STATE BANK OF INDIA
BRANCH NAME	RAIL
CITY NAME	NAVI MUMBAI
ADDRESS	SECTOR-11, CBD BELAPUR, NAVI MUMBAI
DISTRICT	NAVI MUMBAI
STATE	MAHARASHTRA
BG ENABLED	YES

11. The Guarantee shall be valid in addition to and without prejudice to any other security Guarantee(s) of Bidder in favour of the Railway. The Bank, under this Guarantee, shall be deemed as Principal Debtor of the Railway.

Date .....

Place.....

Bank's Seal and authorized signature(s)

*[Name in Block letters]* .....

*[Designation with Code No.]* .....

*[P/Attorney]* No.

Witness:

1 Signature, Name & Address & Seal

2 Signature, Name& address & Seal

Bank's Seal

*[P/Attorney]*No.

**Note:** All italicized text is for guidance on how to prepare this bank guarantee and shall be deleted from the final document.