



ABSTRACT

Finance Department - Announcements made in Budget Speech, 2024-2025 - Permitting acceptance of electronic Bank Guarantee (e-BG) as valid bank guarantee and integrating electronic Bank Guarantee submission facility in e-procurement portal (<https://tntenders.gov.in>) by utilizing the services of National E-Governance Services Limited (NeSL) - Orders - Issued.

Finance (Procurement Cell) Department

G.O.(Ms).No.84

Dated:26.02.2024

சோபகிருது, மாசி-14,

திருவள்ளூர் ஆண்டு - 2055

Read:

1. Budget Speech 2021-2022 of the Hon'ble Minister for Finance and Human Resources Management in the Legislative Assembly on 13.08.2021.
2. G.O.(Ms).No.94, Finance (Salaries) Department, dated: 30.03.2023.
3. G.O.(Ms)No.381, Finance (Procurement Cell) Department, dated: 22.12.2023
4. Budget Speech 2024-2025 of the Hon'ble Minister for Finance and Human Resources Management in the Legislative Assembly on 19.02.2024.

-oOo-

ORDER:

The Hon'ble Minister for Finance and Human Resources Management in Budget Speech for 2021-2022, among others, has made the following announcement:-

"E-procurement will be mandatorily adopted across all procuring entities. A separate e-procurement portal will be created for the Government of Tamil Nadu to enhance transparency in Government procurement."

2. In the Government Order second read above, orders were issued making e-procurement mandatory for all the procuring entities in Tamil Nadu with effect from 01.04.2023 through the revamped portal "<https://tntenders.gov.in>".

3. In the tendering process, receipt and repayment part of Earnest Money Deposit (EMD) plays a vital role. Currently EMD is received in the form of cash, Demand Drafts, Bank Guarantees etc. Government departments/procuring agencies find it very difficult to keep these

payment documents safe and secure. The e-procurement portal provides facility for online payment. However, bank guarantees are still received only in the offline mode. Release of bank guarantee or its modification is also done through physical copies. This system is time consuming. It is also cumbersome for the procuring entities to verify the validity of these bank guarantees.

4. National E-Governance Services Limited (NeSL) has launched the electronic Bank Guarantee (e-BG) platform as a specific use case of the basic Digital Document Execution (DDE) Platform in close consultation with the Indian Banks' Association (IBA).

5. To strengthen the e-procurement activities, in Budget Speech for 2024-2025, the Hon'ble Minister for Finance and Human Resources Management has made the following announcement :-

"the Government will introduce the electronic bank guarantee system in the e-procurement portal".

6. Based on the announcement made by the Hon'ble Minister for Finance and Human Resources Management on the floor of the Legislative Assembly, the Government after careful examination issues the following orders:-

(i)	Permitting acceptance of electronic Bank Guarantee (e-BG) as valid bank guarantee.
(ii)	Integrating electronic Bank Guarantee (e-BG) submission facility in e-procurement portal " https://tntenders.gov.in ".
(iii)	Engaging National E-Governance Services Limited (NeSL) for authenticating electronic Bank Guarantee (e-BG) through e-Procurement portal following Section 16 (b) of the Tamil Nadu Transparency in Tenders Act, 1998.

7. The following guidelines are issued for integrating electronic Bank Guarantee submission facility in e-procurement portal (<https://tntenders.gov.in>):-

a) Finance (Procurement Cell) Department will monitor the implementation and integration of the electronic Bank Guarantee.

b) National E-Governance Services Limited (NeSL) in co-ordination with National Informatics Centre (NIC) will integrate the e-BG process and the facility would be available from the date of issue of this order.

c) A detailed instruction manual would be issued by Finance (Procurement Cell) Department for stakeholders to familiarize with the system and for hassle free use.

d) Once integrated, electronic Bank Gurarantee will be one more option to submit EMD. The beneficiary can get specific encrypted tender code from the e-Procurement portal and avail of electronic bank guarantee against the specific code approaching a bank . The bank will issue electronic bank guarantee through NeSL portal. The NeSL portal in real time would send the information to the e-procurement portal. The beneficiary / bidder, while submitting the bid, can chose the option of electronic bank guarantee and submit the electronic bank guarantee number. The portal will fetch the details and would display for submission.

e) The system would have additional features such as online modification, extension and release of bank guarantee. It would be a hassle free experience for both procuring entities and bidders.

f) Similar to online payment, the Earnest Money Deposit submitted through bank guarantee would also be released automatically after finalization of bid. The validity of document would be verified automatically for the procuring entity.

8. Finance (Procurement Cell) Department may issue further instructions to streamline the process.

(BY ORDER OF THE GOVERNOR)

**T.UDHAYACHANDRAN
PRINCIPAL SECRETARY TO GOVERNMENT**

To

All Secretaries to Government.

The Secretary, Legislative Assembly, Secretariat, Chennai-9.

The Comptroller, Governor's Household, Raj Bhavan, Chennai-22.

The Governor's Secretariat, Raj Bhavan, Guindy, Chennai-22.

All Heads of Departments.

All Collectors / All District Judges / All Chief Judicial Magistrates.

Tmt. E.P.Nivetha, Executive Director , National E-Governance Services Limited (NeSL), 5th floor, the Estate, 121, Dickenson Road, Bengaluru - 560 042.

The State Informatics Officer, National Informatics Centre, Besant Nagar, Chennai - 90.

All Departments of Secretariat.

The Principal Accountant-General (A & E), Chennai-18.

The Principal Accountant-General (A & E), Chennai-18.(by name).

The Accountant-General (Audit-I), Chennai-35.

The Accountant-General (Audit-I), Chennai-35. (by name).

The Accountant-General (Audit-II), Chennai-6.
The Accountant-General (Audit-II), Chennai-6.(by name).
The Accountant-General (CAB), Chennai-9.
The Commissioner of Treasuries and Accounts, Chennai-35.
All Pay and Accounts Officers/All Treasury Officers.
The Chairman, Tamil Nadu Public Service Commission, Chennai-03.
The Registrar, High Court, Chennai-104.
The Registrars of all Universities.
All State Owned Corporations and Statutory Boards.
The Commissioner, Corporations of Greater Chennai.
All Corporations Commissioner.

Copy to:

The Hon'ble Chief Minister's Office, Chennai-9
The Special Personal Assistant to Hon'ble Minister for Finance and
Human Resources Management, Chennai-9
The Senior Principal Private Secretary to the Principal Secretary to
Government, Finance Department, Chennai-9.
The Private Secretary to the Special Secretary to the Government (PW),
Finance Department, Chennai-600 009.
All Sections in Finance Department, Chennai-9.
Stock Files / Spare Copies.

-/Forwarded: By Order /-


SECTION OFFICER.