Communiqué to ALL DDE Users (#121)

Circular No.: NeSL/DDE/2024/0121 Date: 07th February 2024

Launch of Hybrid e-Bank Guarantee (HeBG)

Kind Attention: e-BG users

Since the launch of e-BG facility in September 2022 on NeSL platform, this facility has been available for issuing new bank guarantees. With 22 banks already active, e-BGs have since been issued in favour of more than a thousand unique beneficiaries. Recognizing the benefits of e-BG, many large beneficiaries and banks approached NeSL to facilitate a mechanism to undertake renewal/amendment of existing paper-based bank guarantees electronically through NeSL e-BG platform. This will enable stakeholders to derive the benefits of electronic process even for legacy BGs.

To cater to this need, NeSL introduced a new feature of **'Hybrid e-BG'** which facilitates the issuing bank to undertake subsequent transactions like **renewal** and **amendments** of legacy paper BGs in digital mode, even though the original BG will continue to remain in paper mode outside of NeSL. Once the Hybrid e-BG transaction is recorded with NeSL, the stakeholders of legacy BGs can derive the benefits of digital process and central NeSL repository e.g. tracking all e-BGs (new as well as hybrid e-BG) under one portal, e-BG notifications, advance alert prior to expiry and claim expiry period, beneficiary request through online mode etc.

Issuing banks need to ensure the following to initiate electronic transactions relating to paper BG within the same DDE, e-BG API

1. *Specify the credit sub-type field in the API request as 'HeBG' (instead of 'GRNT')*
2. *The first event should be either 'amendment' or 'renewal'. Once a record is created in NeSL, all other events like 'invocation' or 'closure' can also be done.*

All stakeholders (including beneficiaries) should note that the original paper BG continues to remain valid document and may be required to be returned directly to the concerned issuing bank during invocation/ closure as per terms of the BG/ policies of the issuing bank.

For further information, you may contact your Relationship Manager or for General queries contact on ebg@nesl.co.in and for Technical queries contact at it-bsg@nesl.co.in

Sd/
Team NeSL

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