FAQ on NeSL e-BG

Generic

1. **Are NeSL e-BG's Valid Internationally?**

   NeSL e-BG model supports issuance of e-BG within India. Any scheduled commercial bank including foreign banks operating in India can issue e-BG once onboarded to NeSL e-BG platform. Such e-BG issued through NeSL by a bank in India could be backed by a cross-border guarantee issued by an overseas bank (applicant's country) in favour of the bank in India. NeSL e-BG process does not cover the cross-border inter-bank leg of the guarantee.

2. **There is one parameter UIN which is same as PAN but it is not clear to all vendors. Kindly modify it as UIN/PAN so that they can enter PAN no.**

   UIN is a unique identification number of an entity as provided under the Regulations. PAN where available serves as the UIN. Where PAN is not available, NeSL allots the UIN. We have noted your suggestion and will consider when we revise our e-BG API.

3. **Is there a validity limit to e-BG?**

   NeSL e-BG model does not determine or restrict the validity of an e-BG. The validity period is shared by the bank in the DDE API request to NeSL and is stored in NeSL. The validity period is decided by the issuing bank as per the request of the applicant and based on prevalent law and practice.

4. **We want to know about integration status on GeM? Once integrated, how can the applicant get the e-BG processed from the bank against his name?**

   GeM Registered applicant/bidder can login to GeM portal and initiate request for bid. GeM will generate a challan that will have information about the beneficiary and e-BG (amount, expiry, claim expiry date etc.). Currently GeM has enabled beneficiaries to use a Central GeM UIN (Unique Identification Number) to enable access of e-BG only through GeM portal. Beneficiaries desirous of using their own UIN/PAN are planned to be enabled at a later phase by GeM. Applicant will have to submit the challan to the e-BG issuing bank, post which bank will trigger the e-BG issuance request to NeSL. Upon executing the issuance, NeSL will share the e-BG information (meta-data and document) to GeM which GeM makes available to the relevant applicant for verification during bidding process.

5. **Is NeSL API integration provided by a 3rd party vendor or by NeSL itself?**

   The API is developed, owned and managed by NeSL only

6. **How many days it will take to issue e-BG and how will beneficiary access e-BG file and validate**

   Once the API request for e-BG is received by NeSL from the issuing bank, the digital stamp is procured instantly through the SHCIL gateway or directly from the GRAS system, depending on the State. The stamped e-BG document is immediately made available to the issuing bank for digital signature. Further processing time is dependent of digital signing process by the bank official(s). For banks opting

for straight through signing process, e-BG issuance process gets completed immediately along with a notification email to beneficiary. This entire cycle does not take more than 1-2 minutes.

Upon receiving notification from NeSL, beneficiary can login to NeSL and access and download the e-BG as issued by the bank. e-BGs issued across banks are made available to the beneficiary under single login.

7. Is the format of e-BG standard across banks

NeSL e-BG model is agnostic to the BG template used and the e-BG process does not impose any standardized format for the BG document. Beneficiaries and banks can continue to use their own BG formats.

8. Can traditional paper-based BGs be converted to e-BG?

NeSL has introduced a variant process of e-BG called Hybrid e-BG (He-BG) wherein the original bank guarantee in paper form will continue to remain with the beneficiary till it get completely extinguished through invocation/cancellation/closure. In this variant, the subsequent events like amendment/renewal can be created digitally through NeSL e-BG platform. Beneficiary, by way of a circular or through any other medium of communication can instruct their applicant/vendors to carry out subsequent amendment/renewal through NeSL e-BG route for such legacy BGs.

9. Under a registered entity for e-BG can multiple logins be created with role and access rights?

Upon registration of the entity and creation of a user, multiple users within the entity can be created. At present, all the registered users can access/view and raise requests for an e-BG pertaining to their organization.

10. Can an e-BG be renewed before expiry?

Renewals can be requested electronically through NeSL by the beneficiary, which are then notified to the issuing bank for action. NeSL maintains audit trail pertaining to such requests and can provide on request.

11. What security measures are taken by NeSL to manage tampering of data by hackers?

- e-BG information stored by NeSL can be updated only by the issuing bank through secure API channel.
- As per the requirements mandated under the IBC, NeSL as Information Utility (IU) receives and stores sensitive debt information across all financial lenders in the country.
- As per IU Regulations and related Technical Standards Guidelines issued by IBBI under which NeSL operates, NeSL maintains stringent information security controls and processes across any financial information held by it, which includes e-BG related information. There are adequate controls in place to prevent tampering or unauthorized access.
- NeSL technology infrastructure is highly secure and scalable, consistent with the Regulatory guidelines.
- The information security policies, organization, processes and internal controls of NeSL are ISO 27001:2022 certified.

- NeSL information security processes are subjected to periodic external audits as per Regulations, Regulatory inspections, IDRBT cybersecurity drills etc.

12. What is the duration the e-BG is stored by NeSL post expiry?

The e-BG will be available for the period of 8 years from the date of closure of e-BG

13. Will any other entities onboarded on the platform view the e-BG opened by a particular bank?

e-BG can ONLY be accessed by the authorised registered parties linked to the e-BG which cover the issuing bank, applicant and the beneficiary.

14. What is the process for closure of e-BG, if the applicant is not participating in tender/tender not allotted/ immediate closure requested by applicant but not confirmed by Beneficiary through NeSL?

The beneficiary has to raise a cancellation request on the platform and return of original BG is not relevant in context of e-BG.

15. What are the charges for Digital signing of documents on NeSL platform

The fee for e-BGs is part of our fee structure published on our website

16. How can an applicant claim GST for the payment of DDE charges i.e. 126

NeSL does not charge the applicant but only the bank. For any charges bank may levy on the applicant, invoicing to applicant with GST is the responsibility of the bank.

17. What are the tech requirements on PC/laptop to run this software or application.

e-BG service is API driven integration with bank system and NeSL. There is no specific requirement for PC/Laptop. In normal course, the bank user will operate on the bank's internal Trade Finance platform. On authorisation of transaction on the TF platform, bank system is expected to submit the API request in an automated manner to NeSL without any manual intervention. Where the bank officer signs on NeSL platform, the officer is expected to use a standard browser from any PC/Laptop having internet connectivity. Bank may also choose to use its own internal infrastructure for signing.

18. What is the periodicity of downtime on weekly / monthly / qtrly

The facility is available 24x7 including non-working days (except any brief maintenance time which are notified by NeSL).

19. Are there any technical issues faced on the e-BG platform?

Generally, we have not faced any major issues, however in case of occasional technical issues, NeSL have dedicated resources to resolve the issues faced by the stakeholders in time bound manner.

20. Data Repository timeline with NeSL and any digital space requirements

NeSL repository is available to the banks in unrestricted manner. Any e-BG issued through NeSL is available in IU portal for a period of 8 years after the closure of the e-BG.

21. **What are the charges for NeSL e-BG? Is it a monthly billing or per transaction fee?.**
    NeSL raises a monthly invoice to bank for issuance, amendment and renewal transactions

22. **What all kind of MIS reports can be received through NeS.**
    NeSL facilitates stakeholders of e-BG to generate report wherein all the details of the e-BG along with the historical events are captured

23. **Will e-BG be made mandatory in the future by the Government?**
    This may happen in the longer run once there is greater awareness, and all stakeholders are familiar with e-BG. We have taken this up with the IBA and also with other government agencies.

24. **Will the BG on the platform close on expiry or has to be actioned by bank for closure. How open and close ended BGs are handled?**
    NeSL does not change the status on its own of the e-BG after expiry or claim expiry. The status of the e-BG is changed only when bank updates the latest e-BG position to NeSL. Bank needs to update NeSL with the e-BG status as 'closed' upon expiry. Only upon bank confirmation NeSL will update the status of e-BG as closed in the portal and notify the stakeholders of e-BG.

Beneficiary Related

1. **How many beneficiaries from a single organization can create a login on NeSL e-BG portal?**
    Beneficiary entity, upon registration, can create multiple users as per its needs. There is no restriction in creating multiple users in NeSL portal.

2. **Under single PAN of the beneficiary, can multiple users be created? - Beneficiary**
    A legal entity is registered and identified in NeSL by its PAN as the UIN (Unique Identification Number). Upon registration under the PAN/UIN, beneficiary can create multiple users as per its requirement. e-BGs are issued against the PAN of the entity and can be accessed by any of its users. e-BGs can be linked to Business Unit (BU) code to identify the department/section/offices within an organization. For this purpose, beneficiary needs to advise its own BU code to the applicant so that the same may be filled in by the issuing bank at the time of e-BG issuance through NeSL. Beneficiary can make use of BU code to filter out e-BGs information pertaining to a specific department/section. Beneficiaries who avail API based NeAS integration with its internal system, can automatically link e-BG to the department or even to a specific contract/ tender in its internal system (through the use of Contract Ref Number field) for allowing access to relevant users without the need to login to NeSL portal.

3. **When invoking an e-BG, is there a need to submit supporting documents (like invoice, PO etc...)?**
    Invocation request can be submitted electronically by beneficiary under its digital signature for transmission to the issuing bank. There is a provision wherein user can upload supporting documents along with invocation advice if necessary. However, supporting document upload is optional. There is

no specific requirement to upload invoice or PO unless this is mandated as per conditions in the e-BG or asked by the bank.

4. **Can we get the contact details of the e-BG issuing Bank for e-BG Verification?**

   e-BG is stored in NeSL only after it is issued and confirmed by the issuing bank. The NeSL DDE platform is API driven and fully secured with access to authorized users only. Verification of the e-BG on the NeSL portal will help beneficiaries to avoid the inconvenience and delays associated with verification with the issuing bank. The process of verification of e-BG is published on our website.

5. **Most of the bank's refuse to issue e-BG and majority are also clueless about how to receive and verify SFMS messages. Several BGs are stuck without confirmation since 3 months, how can this be addressed?**

   The NeSL e-BG model provides direct intimation and access to the beneficiary. Hence in this model, there is no requirement of SFMS confirmation for verification purpose if the e-BG is downloaded from NeSL e-BG portal. However, banks may obtain suitable clarification from relevant authorities regarding continuation of SFMS for e-BGs.

6. **It has been experienced that even though closure request has been raised, bank action remains pending for a long time. Why does this happen?**

   The time to take action depends on the bank's internal processes. NeSL role is to deliver beneficiary's request to the bank in a prompt manner. NeSL forwards the request either through email or through API as per the bank's processes. NeSL platform facilitates raising an electronic request by beneficiary and sharing such request with the issuing bank for their action. Banks are expected to take action on such requests without delay. However, NeSL cannot impose or enforce any timebound action at bank's end. NeSL portal maintains and shares the audit trail of the request in a transparent manner with the beneficiary, including date & time of the request raised, delivery acknowledgement from the bank, bank action on the request etc.

7. **Can you not make the Business Unit Code mandatory?**

   Business Unit Code (BU) is not necessarily used by all beneficiaries; hence it is an optional field. Beneficiaries which operate through a centralized location may not use BU code. Hence NeSL cannot enforce BU code as mandatory across all beneficiaries. Making it mandatory for any specific beneficiary is also not practicable.

8. **What are the timelines for payment to beneficiary post invocation request?**

   There is no time limit that NeSL can enforce on bank/s to action on the beneficiary request for payment (e.g. invocation, partial invocation etc.). However, bank/s are duty bound to act promptly on the request as per RBI directions and the obligations under the guarantee contract. NeSL portal maintains and share the audit trail of the request such as date & time of the request raised, delivery acknowledgement to the bank, bank action on the request etc. with the beneficiary through IU Portal/API. In case of inordinate delays, beneficiaries can take up with appropriate authority along with supporting details, which can be provided by NeSL.

9. **If there was a particular format of BG to be followed by a bidder/ supplier for issuance of BG/ e-BG and in case some variation is found in text of e-BG issued vis-a-vis the format provided, can the bidder/ supplier raise amendment request from their end to their banker?**

   e-BG process through NeSL is BG format agnostic. At present, the beneficiary can continue with their existing BG format and instruct the applicant accordingly to convey to the issuing bank. However, in case the BG is issued in a different format that is found unacceptable, beneficiary can raise online request to the issuing bank for amendment of the e-BG. The applicant also gets notified by NeSL. The applicant can directly approach the issuing bank and initiate the request for amendment.

10. **Will there be any intimation from NeSL on the expiry of e-BG**

    NeSL triggers advance alert on a daily basis for all e-BGs having expiry date in next 15 days. Such notification is sent through email.

11. **Can the value of an e-BG be amended (increased or decreased) during the tenure of the e-BG after issuance?**

    Upon issuance of e-BG, beneficiary has option to raise request (e.g. amendment etc.) through NeSL for enhancing the value of the BG. Action on the request is dependent on the issuing bank, subject to consent from the applicant and fulfilment of requisite credit terms. There is no change in this respect in e-BG process vis-a-vis traditional paper BGs.

12. **Who can raise a request for extension of the e-BG?**

    Yes, like other types of requests, beneficiary can raise a request for renewal through NeSL, which serves as an endorsement of renewal from beneficiary side. The applicant is also simultaneously notified by NeSL of such request from the beneficiary. However, for renewal action bank will still require a consent of applicant, apart from the applicant meeting the requisite credit terms.

13. **While raising an e-BG request, why does the following message pop-up. *"Existing e-BG event should be completed before processing new event" How* can this issue be resolved?**

    We have already taken up this requirement where subsequent request will be allowed to be raised even though there is existing request pending. We will communicate to you once this feature is made available in production.

14. **If a client issued bid e-BG but did not participate, but BG is executed by the Bank and beneficiary does not respond to our follow-ups to cancel the e-BG from their end, Can the bank cancel the e-BG NeSL?**

    Banks may still require an endorsement from beneficiary before releasing an unused BG. The issue of delay in release of BG due to non-responsive beneficiary is not a problem arising on account of e-BG. At present both the modes of request (traditional offline method as well as electronic mode via NeSL) are available. Applicant can continue with the existing process of requesting to the bank in parallel to the electronic method except in certain banks who have decided to entertain only electronic mode of request.

15. **Suppose an e-BG is marked to a particular employee's mail ID of beneficiary, who leaves the organisation within BG validity period. Can it be accessed by others in the beneficiary organisation?**
    Email pertaining to e-BG is triggered to the *registered email ID* of the entity and also to email ID given in the API request by bank as per details provided by the beneficiary. This is only to serve as an alert notification. The e-BGs in favour of the beneficiary (denoted by the PAN/UIN of beneficiary) are always accessible to all the registered users of the entity upon login to NeSL portal or fetched through API integration. Incorrect or obsolete email ID does not create any hindrance to access e-BG by other users through NeSL portal login or through API. In case the entity email ID pertains to an individual who has left the organization, beneficiary has the option to modify the same and update with the new one. It is recommended that the entity email ID is a role-based one (e.g. group email not specific to only one person) to which relevant officials can be linked internally.

16. **Most of the amendments/rejection of e-BG due to verbatim mismatch/stamp duty shortage may be avoided if the request may capture in the template of the beneficiary in digital mode on NeSL portal or through API.**
    NeSL have taken a note of the suggestions. These matters were deliberated in the past as well. Considering the practical issues, we will further discuss with the bank for feasibility of solution.

17. **How are conditional claims for e-BGs handled on the platform?**
    Beneficiary has option to raise request as 'extend or pay' wherein the instruction is given to the e-BG issuing bank to either extend the period of the e-BG or invoke the entire e-BG amount.

18. **What if beneficiary has to revoke the request?**
    NeSL will be shortly introducing a feature wherein request raised erroneously can be withdrawn by the beneficiary. The history of the withdrawn request will be available in the system. We will update you once the feature is ready to go live.

19. **Is there any provision to handle extend or pay requests from the beneficiary in NeSL**
    Yes, beneficiary has the option to raise request of 'extend or pay' wherein the instruction is given to the e-BG issuing bank to either extend the period of the e-BG or invoke the entire e-BG amount.

20. **Can beneficiary raise an invocation request through NeSL portal post expiry of BG**
    If the e-BG has passed the '*claim expiry period*' then no invocation request will be allowed by the beneficiary through NeSL.

21. **How can we set-up auto renewal feature set=up for NeSL e-BGs?**
    NeSL do not update the status of e-BG on expiry automatically. Bank will have renew the e-BG and notify NeSL through the DDE e-BG API with the latest status post which NeSL will update the status in its portal and notify the stakeholders of e-BG

22. Can bank cancel e-BG basis on the Physical BG Discharge Letter sent by Beneficiary? If yes, how the status will get changed on NeSL Portal?

Where beneficiary submits offline request (outside NeSL platform) to cancel the e-BG, bank is required to update NeSL with the latest position after cancelling the e-BG in its internal banking system. Only upon bank confirmation, NeSL will update the status of e-BG as cancelled in the portal and notify the stakeholders of e-BG.

23. Difference between closure and cancellation request?

- Cancellation: where beneficiary wants to cancel the e-BG before expiry date of the e-BG e.g. where applicant is not awarded the bid or contract is cancelled etc.
- Closure: where beneficiary wants to close the e-BG post expiry date of the e-BG e.g. the terms and conditions of the e-BG is fulfilled by the applicant

In both cancellation and closure, the effect given by the bank is the same i.e. e-BG is marked as closed and it stands extinguished.

24. Is Beneficiary PAN mandatory for every e-BG issued?

PAN/UIN of the parties to the e-BG (i.e. beneficiary, applicant and bank) is mandatory for e-BG issuance through the NeSL e-BG API.

25. Is it mandatory for beneficiary to register with NeSL to access the e-BGs issued in its favour?

It is not mandatory that beneficiary should be registered in NeSL before issuance of the e-BG. They will be notified through email on issuance of e-BG. The applicant can also forward a digitally signed copy of the e-BG. However, to access the e-BG and other features of the e-BG process, registration is necessary.

Bank Related

1. The issuing bank has to enter 5-6 information such as Beneficiary name, PAN, UIN, Mobile, email ID. If any information is entered incorrectly, then no error message pops up which will may lead to incorrect linking of BENEFICIARY. How is this addressed?

The system validates all the information submitted with the basic structure of the information of the field (syntax validation) e.g., mobile has to be of 10 digits, email has to be of xxx@xxxx format etc. In case the validation fails, system rejects the request and gives the API response with appropriate error code to the bank. In case incorrect information is detected after issuance of an e-BG, bank can cancel the e-BG and issue a fresh one. Alternatively, bank can take a route of the amendment.

2. We are issuing e-BG on NeSL but cannot cancel e-BGs due to non-receipt of discharge letters from beneficiary. What is the process of raising cancellation request?

Beneficiary can issue a digitally signed discharge instruction by raising a request for cancellation through NeSL portal. Beneficiary can also upload a supporting document e.g. copy of signed letter or any other supporting document while raising the electronic request. At present, it is not mandatory

that such discharge letter has to be raised electronically through NeSL portal. It is up to the banks whether to accept parallel process of off-line discharge letters in traditional mode. The issue of non-receipt or delay in beneficiary providing discharge instruction is not specific to e-BG but a common existing issue even in traditional process.

3. **How can a beneficiary who is not using API access e-BGs issued in their favour?**
   Any beneficiary who has not implemented API needs to log in to NeSL to view its e-BGs and also to raise any request e.g. cancellation electronically along with optional upload of any relevant document. NeSL will share the digitally signed request pdf and the uploaded document with the bank

4. **Once BG is issued through NeSL, is there a need for SFMS confirmation?**
   The NeSL e-BG model provides direct intimation and access to the beneficiary. Hence in this model, there is no requirement from NeSL side for SFMS confirmation. However, SFMS requirement exists due to past circulars from IBA and until there is change in such requirements from the concerned authorities, banks may need to continue the practice of SFMS even for e-BGs. Banks may obtain suitable clarifications from IBA/ concerned authorities.

5. **What if beneficiary sent a physical request for closure at branch or banks email id, Accordingly the BG is closed in banks record, However, as the request was not raised through NeSL portal from beneficiary same is not updated in NeSL portal, how such case status will be updated in NeSL.**
   Even if the beneficiary submits a physical request offline (outside NeSL system), the e-BG issuing bank is required to update NeSL with the latest status after closing the request in its internal records. NeSL will record the latest position of the e-BG in its Portal and will accordingly notify the stakeholders of e-BG.

6. **Can we issue LOCAL BG (inward BG) backed by COUNTER BG backed by FOREIGN BANK on NeSL platform?**
   Yes, an Indian bank (e-BG issuing bank) backed by a counter guarantee from foreign bank can issue an e-BG favouring an Indian beneficiary through NeSL. For detailed clarification refer response # 22.

7. **Can one Indian bank issue counter guarantee in favour of other Indian bank for takeover of credit limits?**
   Yes, an e-BG can be issued by an Indian bank (e-BG issuing bank) backed by a counter guarantee by another Indian bank (applicant's bank) through NeSL e-BG platform.

8. **If the applicant under a bank guarantee (BG) is a non-resident, can e-BG be issued by an Indian bank against a counter-guarantee (CG) from a foreign bank, considering that the foreign applicant may not have PAN, which is a mandatory requirement for issuing an e-BG?**
   Yes, an Indian bank (e-BG issuing bank) backed by a counter guarantee from foreign bank can issue a e-BG favouring the Indian beneficiary through NeSL. Since the foreign applicant will not be having a UIN (e.g. PAN), NeSL permits a fixed UIN for all such foreign applicants. Bank can pass the UIN as part

of the API request against the name of the foreign applicant. We will communicate this approach shortly with all the bank once it is made available in the system

9. **There have been instances where e-BG gets signed on the next day, so stamp paper will be of future date and beneficiary does not accept such BG as stamp paper date should be on or before BG Issuance date.**

   In general, our understanding is that in a stamped contract, the effective date (here e-BG issuance date) can be earlier than the execution date (signing date) or even the stamping date. The signing however cannot be before the stamping date. We need to discuss and understand why this scenario is seen to be an issue for the beneficiary. We also request you to elaborate on the technical issue encountered during signing which will help us to investigate and resolve the same.

10. **How is the stamp value determined while executing the e-BG? How does NeSL ensure sufficient stamping is done as per state stamp act?**

    Stamping is state subject and state specific. It may vary from state to state. Bank will continue to follow their existing process to determine the state jurisdiction, applicable article code and stamp duty amount and share the same with NeSL in the DDE e-BG API request. However, for certain states like Maharashtra, West Bengal, Madhya Pradesh, Kerala etc. A stamp duty calculator is provided by the states through which NeSL validates the value of stamp duty.

11. **The e-stamp paper certificate which accompanies with e-BG is generated with first party as "applicant name" and second party as "bank name" is there any possibility to add third party as "beneficiary name "particular in e-stamp paper certificate.**

    There is no provision of third party in stamp certificate. The format of stamp certificate is determined by the State (SHCIL/GRAS). For SHCIL states the stamp certificate is common however for GRAS states the respective IGR determines the format. Bank needs to specify who should be the first party and second party.

12. **Is the digital stamp value common among all states?**

    Stamping is state subject and state specific. It may vary from state to state. Bank will continue to follow their existing process to determine the stamp duty and share the same with NeSL in the DDE e-BG API request. However, for certain states like Maharashtra, West Bengal, Madhya Pradesh, Kerala etc. there is stamp duty calculator provided by the states through which NeSL validates the amount.

13. **I think the amount of the stamp paper depends on the value of BG. Correct me if I am right**

    Refer response #1. In majority of the states, the stamp duty applicable is a flat amount, irrespective of e-BG value.

14. **How is stamp duty calculated, is it based on state in which beneficiary is located or state in which BG issuing Bank is located?**

Further to response under # 1, the applicable state for stamp duty purpose is to be interpreted as per the provisions of the prevailing stamp duty laws of the country. The issuing bank needs to take a view on this as per its legal guidance and/or as per specific requirements conveyed by beneficiary, if any.

15. What are SCHIL/GRASS states?

Stock Holding Corporation of India Limited (SHCIL) is the only Central Record Keeping Agency (CRA) appointed to issue digital stamp certificate across 23 states (SHCIL states). The states where SHCIL does not operate, have their own system. These are often referred to as GRAS (Government Receipt & Accounting System) states e.g. Maharashtra, West Bengal, Madhya Pradesh, Kerala etc. NeSL has integration with both SHCIL and GRAS states and have the ability to procure the e-Stamp certificate from any state as requested by the bank.

16. Can Counter Bank BG issue intrabank using NeSL e-BG platform?

The counter guarantee involves 2 step process

(In case of a foreign vendor and Indian beneficiary, the bank guarantee is typically handled in two distinct legs):

- Leg-1: the foreign vendor typically approaches a bank in its own country (located outside India). The foreign bank then issues a counter guarantee to a scheduled commercial bank operating in India. This cross-border leg between two banks is not covered by the e-BG process of NeSL at present and is handled through well-established international inter-bank messaging systems.
- Leg-2: On the strength of the counter guarantee from the overseas bank, the local bank in India issues the bank guarantee to the beneficiary located in India. For the bank in India, the exposure and risk are on the overseas bank since the vendor is not known to the bank in India. NeSL e-BG process very much covers this leg, including e-BG in foreign currency.

17. Can e-BG be issued in currency other than INR

Response: NeSL e-BG supports both INR and Non-INR currencies (e.g. USD, EUR). Where e-BG is issued in non-INR currency, the sanction amount and sanction currency and total outstanding amount and outstanding currency should be reported in the applicable BG currency (i.e. foreign currency). However, in the e-stamp details section of the API, the consideration price and stamp duty amount should always be in equivalent INR. Please refer our communique 168 dt. 24th Oct 2024 for more details.

18. Still e-BG closure not clear where applicant is not participated in tender and there is no possibility to get release letter in traditional way also and there is a chance the tender is still open status or under process, we are of opinion that generally beneficiary will not send closure request through NeSL till the tender process is concluded but applicant will not wait.

The beneficiary has to raise a cancellation request on the platform and return of original BG is not relevant in context of e-BG. We need to discuss the specific use case of unused e-BG further with the banks/ in IBA forum. We also need to understand the existing practice followed for closure/release i.e. whether return of original paper BG is considered sufficient without the need of any explicit consent/ discharge letter from the beneficiary. We will set up a separate discussion with your bank on this topic.

19. Will the software/app have any limitation on number of users (For Bank)?

e-BG service is an API driven integration. Bank being the initiator of the e-BG request will get the final executed document along with the meta data as a response upon completing the e-Stamp and e-Sign process. Hence the bank user can access the e-BG through internal system of the bank. However, if the bank official wants to login to NeSL e-BG portal, there is no restriction on the number of users who can be registered with NeSL. Stakeholder of e-BG can create multiple users to access and download the e-BG from IU portal. With respect to bank, the need to access IU portal will arise during exceptional situation where bank is not able to receive e-BG information through API. To handle such scenario, bank can create few users on IU portal