

GOVERNMENT OF KERALA

Abstract

Deposits-Exemption of Earnest Money Deposits up to Rs.5,000/- from the purview of Bank Guarantee Scheme clarification Issued.

FINANCE DEPARTMENT

G.O.MS.366/65/Fin.

Dated, Trivandrum, 22nd Sept. 1965.

- Read:- 1. G.O.MS.504/65/Fin. dated 29-8-1963.
2. Letter No.G/1030/64 dated 12-8-1964 from the South Indian Bank, Limited, Trichur.

ORDER

According to the orders in the G.O Ist cited Bank Guarantee or fixed Deposit Receipts up to a limit of Rs. 5,000/-tendered by scheduled banks for purposes of Earnest Money Deposits would be kept outside the purview of the Bank Guarantee Scheme, excluding them for the necessarily of being supported by confirmatory advice from the Reserve Bank of India, subject only to the provisions laid down in item 6 of Article 304, Kerala Financial Code, Volume I. According to Note I to item 6 under Article 304 K.F.G Vol.I the banks should codger with Government sufficient Government securities to cover the amount of receipts. A question was raised whether the Banks should be required to furnish counter security to cover their deposit receipts/guarantee upto Rs.5,000/- furnished as earnest money deposits. Government have examined the matter further and are pleased to approve the following banks for the purpose of accepting their individual Deposits receipts/ guarantees up to Rs. 5,000/- (Rupees Five thousand only) as Earnest Money Deposites of contractors without obtaining any counter-security from the banks subject to a limit of Rs. One lakh for each bank at any time.

Names of Banks

- | | |
|-----------------------------------|--------------------------------------|
| 1. Bank of Madura | 2. Canara bank |
| 3. Central bank of India | 4. Indian bank |
| 5. Indian Overseas Bank | 6. South Indian Bank. |
| 7. State Bank of India | 8. State Bank of Tranvancore. |
| 9. State bank of Mysore | 10.Nudungadi Bank |
| 11. Syndicate bank | 12. Bank of Baroda |
| 13. Bank of India, Bombay | 14. Canara Banking corporation |
| 15. Devakaran nanjee Banking Co.. | 16.Punjab National bank |
| 17. Union Bank of India, Bombay 1 | 8. United Commercial Bank, Calcutta. |

For the purpose of reviewing the ceiling limit has been exceed, the Banks will send to the Government in the Finance Department, at the end of the January every year a consolidated list of pending fixed Deposits /receipts/Guarantees/ issued by them towards Earnest Money Deposits (upto Rs.5,000/-) during the previous year along with a certificate that the limit of Rs.1 lakhs was not exceeded at any time during the previous year.

Note 1 to Item 6 of Article 304, kerala Financial Code Volume 1 will be amended accordingly.

(By order of the Governor)

T.MARIA SUSAI
JOINT SECRETARY.

To

The Accountant General, Kerala.

All Heads of Department Endt. on F.Dis (A1) 32593/65 dated 13-10-1965.

Copy to all sub offices for information.

Copy to all section heads C1, C2, C3, and C4, Financial assistant and stock file.

Chief Conservator's
Office, Trivandrum.

Sd/-

For Chief conservator of Forests.

Endt.on F.Dis.20677/65 (H A) dated 9-11-1965.

Copy to All Sections, Circular File and Stock file.

For Conservator of Forest.