

CORRIGENDUM 1 - Technical				
	<b>Tender No. :</b>	C03H220036		
	<b>NAME OF ITEM :</b>	Breechlock Type Heat Exchangers 207-E-04 and 207-E-07		
	<b>NAME OF BIDDER :</b>			
SL. NO.	Referred Document	CLAUSE NO. / Subject	BIDDER'S QUERY	CPCL REPLY
1	Requisition specification for Complete Exchangers Screw Plug/ Breechlock Type Heat Exchangers 207-E-04 and 207-E-07  CPCL-HE-SP-1264 Rev-1	<b>Clause 1.1</b> These exchangers are being procured for the replacement of the existing exchangers. Hence deviation on MOC, Size, thickness and dimensions etc. of any components is not permitted unless otherwise specified herewith.	Since these are replacement of the existing exchangers and we cannot change the Size, thickness and dimensions. So we understand that "MECHANICAL DESIGN" shall not be carried out by us and "MECHANICAL DESIGN GUARANTEE" shall not be in our scope.	Noted. Bidder's mechanical design is limited to the proposed changes including implied changes owing to the same. Bidder requested to include the complete design of the equipment in bidder's scope. The same shall be included provided the design as per the original drawings are maintained to the extent possible and the nozzle location and orientation and supports are maintained as per original for easy retrofitting. The requirements given in the drawing to be treated as minimum.
2	Requisition specification for Complete Exchangers Screw Plug/ Breechlock Type Heat Exchangers 207-E-04 and 207-E-07  CPCL-HE-SP-1264 Rev-1	CHANNEL CLOSURE ASSEMBLY	Channel closure assembly is PROPRIETARY design and thickness of added steel is not given, so we will use our design for screw plug closure for both items 207-E-04 & 207-E-07.  Refer attached sketch. Only highlighted portion shall be designed by us.	For point no.1  Noted. However, the design calculations shall be shared with CPCL for reference.  The extent of bidder's proprietary design shall be limited upto the items indicated as PROPRIETARY in the original drawings.  Point no.2  Noted. However, in case of 207-E4, the scope of design also include the changes arising out of change of nut type as hexagonal in place of round nuts. Design calculations for adequacy of existing design due to change of shell side material to 2 1/4 Cr with 3mm SS347 weld overlay shall also be shared.
3	Requisition specification for Complete Exchangers Screw Plug/ Breechlock Type Heat Exchangers 207-E-04 and 207-E-07  CPCL-HE-SP-1264 Rev-1	<b>Clause 1.1</b> In case of 207-E-04, The shell side material shall be upgraded to 2 1/4 Cr plus 3mm SS347 Weld overlay in place of existing CS	This change in material can be done because while using Gr22 material instead of carbon steel there will be no increase in thicknesses. So we will maintain the same thicknesses as given in the drawing for shell side of 207-E-04.	Noted. However, design calculations for adequacy of the same shall be shared with CPCL.
4	Requisition specification for Complete Exchangers Screw Plug/ Breechlock Type Heat Exchangers 207-E-04 and 207-E-07  CPCL-HE-SP-1264 Rev-1	<b>Clause 1.1</b> The channel to shell flange joint shall have hexagonal nuts instead of round nuts. The same shall be duly designed and modified.	If we use hexagonal nuts instead of round nuts then there will be change in BCD and spacing of bolting, so we shall not be able to maintain the dimensions as per existing equipment.	Noted. However, the nozzle locations shall be maintained for retrofitting at existing place with existing piping.
5	Requisition specification for Complete Exchangers Screw Plug/ Breechlock Type Heat Exchangers 207-E-04 and 207-E-07  CPCL-HE-SP-1264 Rev-1	<b>Clause 1.1</b> Vendor shall use improved gasket type like Camprofile gasket instead of spiral wound gasket for shell to tube sheet joint in 207-E-07 and Channel to Shell in 207-E-04.	We will use improved gasket type like Camprofile gasket instead of spiral wound gasket. We shall not be carrying out any design as the same is not in vendor scope as per tender.	Noted. However, the gasket shall be suitable for the present conditions.
6	Requisition specification for Complete Exchangers Screw Plug/ Breechlock Type Heat Exchangers 207-E-04 and 207-E-07  CPCL-HE-SP-1264 Rev-1	<b>Clause 1.2</b> Design and supply of all accessories for Hydrotesting.	Design and supply of accessories for Hydrotesting at shop are considered by us.  As per our understanding Accessories for hydrotest at site are not required. Please specify if anything is required for hydrotest at site.	First point, Noted.  Second point, TLR kit to be supplied along with each breechlock exchanger.  The TLR kit shall be complete TLR fixtures for removal of threaded covers. Bidder to design both TLR fixtures in such a way that each can be used for any of the two breechlock

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7	Item No 207-E-04 & Item No 207-E-07	Datasheet & Drawing	All nozzles type are considered as per existing equipment drawings.	Noted.
8	Item No 207-E-04 & Item No 207-E-07	Datasheet & Drawing	We would like to bring to your kind notice that equipment drawings, engineering was done by STRUTHERS (which is later on acquired by TEI).  Based on the same we understand that only TEI licensee can supply the exchangers	The pre-qualifying criteria for bidders are specified in the tender.
9	Requisition specification for Complete Exchangers Screw Plug/ Breechlock Type Heat Exchangers 207-E-04 and 207-E-07  CPCL-HE-SP-1264 Rev-1	<b>Clause 4.7</b>  The bought out materials shall be from EIL approved vendor only. Bidder shall furnish proposed names of EIL approved vendors for specific items for client's concurrence before placement of order to them. In case, the EIL vendor list is not available or bidder proposes some other sub-vendors, the same shall be intimated to CPCL with credentials as sought for prior approval before placement of order on them.	List of Sub-vendors to be discussed and freeze before award of order to avoid any delay in material ordering post order. Please let us know at this stage only if there is any restriction on any vendor OR Chinese vendors ?  There is no vendor list of EIL for plates. so we can buy plates from any reputed vendor globally.  For forgings we need overseas vendors for heavy forgings. please refer below list and give your acceptance / comments : 1) Taewoong, Korea 2) YCT, Korea 3) OFAR SpA, Italy 4) Forgiatura Vienna, Italy	The proposed sub-vendors' name will be discussed with the successful bidder.  Bidder shall comply MII Policy as per tender terms.
10	Requisition specification for Complete Exchangers Screw Plug/ Breechlock Type Heat Exchangers 207-E-04 and 207-E-07  CPCL-HE-SP-1264 Rev-1	<b>Clause 9.1</b>  Qualification tests shall be made on plates for forgings of the same specification, grade and thickness as specified for the vessel using welding electrodes, wire and flux of the same type and brand as will be used on the work.	Qualification test shall be carried out on same P-No. base plate and thickness range shall be as per ASME SEC-IX.  Please confirm.	Noted and acceptable.
11	Requisition specification for Complete Exchangers Screw Plug/ Breechlock Type Heat Exchangers 207-E-04 and 207-E-07  CPCL-HE-SP-1264 Rev-1	<b>Clause 10.6</b>  The tube to tube sheet weld joint shall be checked by DP test (Root and Final weld) and the same shall be witnessed by TPI. Hardness and ferrite content of tube to tube sheet welding shall be checked and the same shall be witnessed by TPI.	Ferrite content of tube to tube sheet welding shall be checked for SS material only.  Ferrite content for tube to tube sheet welding will be checked during PQR.  Please confirm.	Noted and acceptable.
12	Requisition specification for Complete Exchangers Screw Plug/ Breechlock Type Heat Exchangers 207-E-04 and 207-E-07  CPCL-HE-SP-1264 Rev-1	<b>Clause 10.12.4</b>  PWHT shall be performed as a whole in an enclosed furnace  <b>Clause 10.12.6</b>  Local PWHT shall not be performed without prior written approval from CPCL.	For 207-E-04 & 207-E-07, furnace PWHT can be done.  For 207-E-07, local PWHT is required for tube to tubesheet joints. For 207-E-04, local PWHT is not required.	Noted and acceptable.

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13	Requisition specification for Complete Exchangers Screw Plug/ Breechlock Type Heat Exchangers 207-E-04 and 207-E-07  CPCL-HE-SP-1264 Rev-1	<b>Clause no. 11</b>  FOLLOWING MANDATORY SPARES ARE TO BE SUPPLIED FOR EACH EQUIPMENT by Vendor in addition to spares specified in clause 3.5 of EIL 6-15-0001.  The spares indicated in the bill of material of each equipment are the minimum requirement of spares and vendor shall ensure the same during supply.	As per CPCL-HE-SP-1264 Rev-1 document, the following spares are required :  a) One No. of spare diaphragm (Gasket retainer). b) 100% push rod . c) Stud bolts – 20 %.  As per EIL 6-15-0001, the following spares are required :  d) Gasket - 400%(For Girth Flange, tube sheet and nozzle with blind/companion flanges) e) Stud/Bolts/nuts- 20% or minimum 4 sets(For Girth Flange, tube sheet and nozzle with blind/companion flanges)  We understand only 20% spares are required for stud bolts.  We understand Spares indicated in the bill of material of each equipment are already covered in the above and those are not in addition to spares mentioned above.	Noted and acceptable.
14	Item No. 207-E-04	Companion Flange & Spares.	We understand Companion flange & related spares are not required. Please confirm.	Noted and acceptable.
15	Item No 207-E-04 & Item No 207-E-07	Applicability of API934A & API934C	This is not clear whether API934A & API934C are applicable or not for these equipment. We understand API934A & API934C are not applicable for these equipment. KINDLY CONFIRM.	Noted.
16	Item No 207-E-04 & Item No 207-E-07	General note-22 VP-1027-E4-02517  General note-22 VP-1027-E7-02520	Please note that specifications / documents referred in general note-22 shall not be applicable for us because many documents have not been received by us.  We will follow LIST OF ATTACHMENTS mentioned in document CPCL-HE-SP-1264 Rev-1	Noted. However, required documents mentioned in note-22 of general notes are also indicated in list of attachments.
17	General	Bolt tensioner / torque wrench	We understand supply of torque wrench or bolt tensioner is not in our scope.	Noted.
18	Requisition specification for Complete Exchangers Screw Plug/ Breechlock Type Heat Exchangers 207-E-04 and 207-E-07  CPCL-HE-SP-1264 Rev-1	<b>Clause 7.5</b>  All surfaces (other than gasket surfaces) of shell/channel, drum forgings, channel cover etc. shall be machined to 8 microns or better, after final heat treatment.	As per "General notes" drawing, note-25, below requirement is given for surface finish :-  ALL SURFACES (OTHER THAN GASKET SURFACES) OF SHELL DRUM FORGINGS, CHANNEL COVER ETC. SHALL BE MACHINED TO 8 CLA MICRONS (250 RMS) OR BETTER, AFTER FINAL HEAT TREATMENT.  We will follow the above requirement.	Noted.
19	Requisition specification for Complete Exchangers Screw Plug/ Breechlock Type Heat Exchangers 207-E-04 and 207-E-07  CPCL-HE-SP-1264 Rev-1	<b>Clause 10.8, 10.9, 10.10,10.11</b>  ASME Div.2 Appendix-8 ASME Sec.VIII Div.2 Appendix 9-1 ASME Sec. VIII Appendix-8 ASME Sec VIII Div.2 Appendix 9 Article 9.3	Please note that material procurement, equipment manufacturing and NDT shall be as per the latest ASME code applicable.  Appendix and Articles mentioned in these clauses are no more applicable because ASME codes have been modified / updated. NDT will be carried out as per latest ASME codes.	Noted.

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20	<p>A) Requisition specification for Complete Exchangers Screw Plug/ Breechlock Type Heat Exchangers 207-E-04 and 207-E-07</p> <p>CPCL-HE-SP-1264 Rev-1</p> <p>B) LETTER INVITING TENDER (LIT) THROUGH GEM PORTAL</p>	<p><b>Clause 2.8</b></p> <p><b>Page 2 of 104</b></p>	<p>a) As per document CPCL-HE-SP-1264 Rev-1, clause 2.8, Vendor shall submit fabrication drawings to CPCL for review within 30 (Thirty) days from the date of receipt of Purchase order.</p> <p>b) As per LIT, page 2 of 104, Vendor shall submit the Drawings / QAP within 10 days from the date of PO for first time to CPCL for approval.</p> <p>We understand that GA drawing and QAP are to be submitted within 10 days from the date of PO and Other drawings are to be submitted within 30 (Thirty) days from the date of PO. PLEASE CONFIRM OUR UNDERSTANDING IS CORRECT.</p>	<p>30 days mentioned in the spec shall apply. Requirement mentioned as per CPCL-HE-SP-1264 Rev-1, clause 2.8 shall supersede the requirement as per LIT, pg 2 of 104 for submission of documents.</p>
21	<p>LETTER INVITING TENDER (LIT) THROUGH GEM PORTAL</p>	<p><b>Page 2 of 104</b></p> <p><b>DELIVERY</b> : 12 Months from the date of Drawings with Code-2/1 approval / QAP approval by CPCL whichever is later</p>	<p>These are special equipment and considering the manufacturing cycle time 12 months delivery at site is not realistic.</p> <p>Please accept delivery as <b>14 Months</b> from the date of Drawings with Code-2/1 approval / QAP approval by CPCL whichever is later</p>	<p>CPCL Terms Holds Good.</p>

PRE-BID QUERIES - Commercial				
Tender No. :	C03H220036			
NAME OF ITEM :	Breechlock Type Heat Exchangers 207-E-04 and 207-E-07			
Sl. NO.	Referred Document	CLAUSE NO. / Subject	BIDDER QUERY	CPCL REPLY
1	SPEICAL TERMS & CONDITIONS (STC) Page 11 of 104	01. Offer Price in e-bidding: Bidder is required to indicate offer price in the price schedule as provided in the bidding documents, i.e. Offer Prices on GeM shall be on all inclusive basis i.e. including all taxes (including applicable GST), duties, local levies, transportation, loading-unloading charges, Third Party Inspection Charges (TPI), etc. For unloading of material CPCL will provide Hydra/Fork Lift along with Operator. However, the man power required for assistance for safe unloading of material shall be arranged by the vendor at site at their own cost.	We request you to please let us know local levies applicable.  For unloading of material Lifting equipment like crane etc. shall be in CPCL scope. We will provide One Supervisor only for supervision for one day only and advance intimation will be required 2 weeks prior.	It is understood that after introduction of GST, there is no local levies as of date.  CPCL will provide suitable Lifting Equipment for unloading of material at site. However, manpower assistance for supervision / unloading at CPCL needs to be arranged by the bidder.
2	SPEICAL TERMS & CONDITIONS (STC) Page 12 of 104	06 Liquidated Damages: If the Seller fails to deliver any or all the Goods/Service within the original/refixed delivery period(s) specified in the contract, the buyer will be entitled to deduct/recover the Liquidated Damages for the delay, unless covered under Force Majeure conditions aforesaid @ 0.5% per week or part of the week of delayed period as pre-estimated damages not exceeding 10% of the contract value without any controversy/dispute of any sort whatsoever. In case, Service Level Agreement (SLA) is applicable the same shall be applicable for the contract.	We Propose Below Clause: If the Seller fails to deliver any or all the Goods/Service within the original/refixed delivery period(s) specified in the contract, the buyer will be entitled to deduct/recover the Liquidated Damages for the delay, unless covered under Force Majeure conditions aforesaid @ 0.5% of the undelivered portion per week or part of the week of delayed period as pre-estimated damages not exceeding 10% of the Basic contract value without any controversy/dispute of any sort whatsoever. In case, Service Level Agreement (SLA) is applicable the same shall be applicable for the contract.	CPCL Terms Holds Good.
3	SPEICAL TERMS & CONDITIONS (STC) Page 12 of 104	07. Payment terms : 1. 10% on submission of drawings & QAP and approval in code 2 against submission of BG for the equivalent sum payable by CPCL with validity up to final supply and acceptance of materials plus three months of claim period. 2. 10% on ordering of major raw material subject to production of Invoice and other related documents for making a payment to the Sub Vendor against submission of BG for the equivalent sum payable by CPCL with validity up to final supply and acceptance of materials plus three months of claim period. 3. 70% against receipt and acceptance of materials at our site along with Hard & Soft copy of documents in CD/Pen Drive. 4. Balance 10 % against submission of PBG.	We propose below payment terms: • 10% as interest free advance against receipt of LOI. • 10% against submission of General Arrangement Drawings for approval. • 10% against ordering of major raw materials i.e. Plates for Shell and Heads and Tube sheet. • 20% against receipt & identification of major raw materials i.e. Plates for Shell and Heads and Tube sheet at our works. • 45% against dispatch documents. • 05% against submission of final technical documents All payments to be released within 15 days of Invoice submission. All the payments shall be interest free.	07. Payment terms : 1. 10% on submission of drawings & QAP and approval in code 2 against submission of BG for the equivalent sum payable by CPCL with validity up to final supply and acceptance of materials plus three months of claim period. 2. 10% on ordering of major raw material Shell & Channel Plates, Tubesheet, Forged neck nozzles, Girth Flanges, and Tubes etc. subject to production of Invoice and other related documents for making a payment to the Sub Vendor against submission of BG for the equivalent sum payable by CPCL with validity up to final supply and acceptance of materials plus three months of claim period. 3. 70% against receipt and acceptance of materials at our site along with Hard & Soft copy of documents in CD/Pen Drive. 4. Balance 10 % against submission of PBG.
4	SPEICAL TERMS & CONDITIONS (STC) Page 13 of 104	10. Guarantee / Warranty: Materials must be guaranteed for satisfactory performance for a period of 12 months from the date of installation or for a period of 18 months from the date of supply. Any manufacturing defect noticed during the guarantee period shall be rectified free of cost.	Please note Supplier Guarantee / Warranty of the equipment shall be against bad material and workmanship only. Please note Guarantee / Warranty time period specified any where in contract shall not be applicable.	CPCL Terms Holds Good.
5	Requisition specification for Complete Exchangers Screw Plug/ Breechlock Type Heat Exchangers 207-E-04 and 207-E-07 Page 27 of 28	16.0 VENDOR'S LIABILITIES & GUARANTEES 16.1 The vendor shall be completely responsible for the compliance to the requirements of the fabrication, materials and workmanship of the exchanger as per the stipulations of the requisition and its attached specifications. 16.2 Should any defects/mal-functioning due to inferior materials, workmanship, non-compliance to the requirements stated in the requisition, develop under operating conditions within 18 months from the date of commissioning or 24 months from the date of dispatch, <b>whichever is later</b> , the vendor shall at his own expense make necessary repairs and / or carry out replacements without any delay.	We understand SPEICAL TERMS & CONDITIONS (STC) clause no 10. Guarantee / Warranty: shall be followed and clause 16.0 VENDOR'S LIABILITIES & GUARANTEES is not applicable.	Noted & Agreed.
6	GPC Page no. 94 of 104 Risk purchase clause	Applicable. (Clause 4 GPC) Failure to deliver the goods or materials on or before the date specified in the Order under provisions stated in Article 5 without prejudice to any other rights Owner may have as a result thereof. In such an eventuality, Owner may make other alternate procurement arrangements as may be deemed necessary or desirable in the circumstances and any additional expenditure incurred by the Owner in connection therewith shall be reimbursed by the Seller on demand.	In reference clause 4. Termination in accordance to Article 5 shall only be exercised after exhausting the Liquidated Damages time period.	CPCL Terms Holds Good.
7	Force Majeure - clause 7 Page no. 95 of 104	7. FORCE MAJEURE Shall mean and be limited to the following: a) Any War hostilities. b) Any riot or civil commotion. c) Any earthquake, flood, tempest, lightning or other natural physical disaster. d) Any strike, or lock-out (only those exceeding ten (10) continuous days in duration) affecting the performance of the seller's obligations. e) Any restriction imposed by the Government (Central or State) or other Statutory bodies which prevents or delays the execution of the Order by the Seller. The Seller shall advise Owner by a registered letter duly certified by Local Chamber of Commerce or Statutory authorities the beginning and end of the above causes for delay within seven (7) days of occurrence and cessation of such Force Majeure conditions, in the event of delay lasting over one month, if arising out of causes of Force Majeure, Owner reserves the right to cancel the Order and provisions governing termination stated under Article 5 shall apply. For delays arising out of Force Majeure, the Seller shall not claim extension in completion date for a period exceeding the period of delay attributable to the causes of Force Majeure and neither Owner nor Seller shall be liable to pay extra costs provided it is mutually established that Force Majeure condition did actually exist. Seller shall categorically specify the extent of Force Majeure conditions prevalent in his works (such as power restriction etc.) at the time of submitting the bid and whether the same have been taken into	We understand as per clause 7 c) other natural physical disaster shall cover Epidemic and pandemic.	CPCL Terms Holds Good.
8	Performance Bank Guarantee Pag no. 2 of 2	2. This guarantee is a continuing guarantee and not revocable except with the previous written consent of the Owner and same as aforesaid it will continue in force until the Contractor has maintained the schedule of delivery of the said work under the said Contract and observed and fulfilled the said performance warranty and all other terms and conditions of the said Contract.	We can not accept continuing Guarantee.	CPCL Terms Holds Good.
9	Performance Bank Guarantee	PBG format enclosed	We have received enclosed two PBG formats, we request you to please let us know which is applicable.	CPCL PBG Format Attached
10	Advance Bank Guarantee		We request you to please share Advance Bank Guarantee format.	Advance Bank Gurantee Format Attached
11			We request you to please specify document order of precedence.	The following shall form the contract documents and order of precedence: a) Special Terms & Conditions of Contract (STC) b) Agreed Terms & Conditions (ATC) c) GPC ( Indigenous ) d) Technical Specifications, Scope of Work and other Tender Documents, etc.,



Chennai Petroleum Corporation Ltd., Manali, Chennai-600068.

## **PERFORMANCE BANK GUARANTEE**

(On non-judicial paper of appropriate value- To be confirmed through Bankers in India)

This Guarantee made this..... day of .....2011.....BETWEEN.....  
BANK LIMITED, a Company incorporated in ..... and having its branch  
Office at .....and having its Head Office at .....which expression shall unless  
repugnant to the context or contrary to the meaning thereof include its successors of  
the one part and Chennai Petroleum Corporation Limited, a Company incorporated in  
India, and having its Registered Office at “552 Anna Salai, Teynampet, Chennai-  
600018 (hereinafter caller ‘the Owner’ which expression shall include the successors  
and assigns) of the other part.

WHEREAS THE Owner has placed a PO No. ....dt. .... with  
.....(hereinafter called “the Contractor”) for the supply/supply-  
cum-erection of .....(hereinafter called “the work)  
at the total cost of Rs..... (Rupees.....)

AND WHEREAS it is one of the terms of the said Contract that the Contractor shall  
furnish to the Owner a Guarantee of a bank which shall be for 3% of the value of the  
contract and shall be valid for the duration of supply of the work covered by the said  
Contract and period of defects/liability in respect of the said work.

AND WHEREAS the Bank, at the request of the contractor, agreed to give in favour of  
the owner a Guarantee in manner hereinafter appearing, which the owner has agreed to  
accept.

NOW THIS DEED WITNESSTH AS follows:

1. In pursuance of the said agreement and in consideration of promises, the bank hereby  
guarantees to the Owner due observance and fulfillment by the contractor of the terms  
of the said Contract relating to the said work and of the performance warranty which is  
a part of the said Contract and agrees and undertakes that, if the Contractor fails to  
observe and fulfil the said Contract and/or the performance warranty, then the bank  
shall immediately pay to the Owner on demand such sum or sums of money to the  
extent of ..... being 3% of the value of the said Contract on account of losses  
and damages suffered by the Owner as may be claimed by the Owner by reason of  
such non-observance and non-fulfillment by the Contractor as aforesaid and shall also  
Indemnify the Owner against all losses and damages which may be suffered by the  
Owner as aforesaid and against all costs, charges, expenses which may be incurred by  
the Owner in connection herewith. The Bank shall pay the said amount without demur  
or protest or without recourse to the Contractor. Any such demand placed on the Bank  
shall be conclusive as regards the amount due and payable by the Bank under this  
Guarantee.



2. This guarantee is a continuing guarantee and not revocable except with the previous written consent of the Owner and same as aforesaid it will continue in force until the Contractor has maintained the schedule of delivery of the said work under the said Contract and observed and fulfilled the said performance warranty and all other terms and conditions of the said Contract.
3. The Owner may, without affecting Bank's liabilities and obligations hereunder, grant time or other indulgence to or compound with the Contractor or enter into any agreement or agree to forbear to enforce any of the terms and conditions of the said contract against the Contractor or agree to vary any of the terms and conditions of the said Contract.
4. This guarantee shall not be affected by any change in the constitution of the owner by absorption with any other Body or Corporation or otherwise and this Guarantee will be available to or enforceable by such Body or Corporation.
5. All compositions and payments received by the Owner from or on behalf of the Contractor shall be regarded as payments in gross and in the event of the Contractor being wound-up, the owner will be entitled to prove against the properties of the Contractor in respect of the whole of the Contractor's. Indebtedness to the Owner, without any right on the part of the Bank to stand in the Owner's place in respect of or to claim the benefits of such composition and payment of any security held by the owner until the Owner shall be received the full amount of the claims against the Contractor.
6. In order to give effect to this Guarantee the owner will be entitled to act as if the Bank were the Principal debtor and the bank hereby waives all and any of its rights of surety ship.
7. This Guarantee shall continue to be in force notwithstanding the discharge of the Contractor by operation of law and shall cease only on payment of the full amount by the bank to the Owner of the amount hereby secured and on the claim of the owner against the Contractor in respect of the said Contract being satisfied.
8. This Guarantee shall be in addition to and not in substitution for any other Guarantee or security for the contractor gave or to be given to the Owner in respect of the said contract by the bank (whether alone or jointly with others).
9. This Guarantee will be valid up to a period of \_\_\_\_\_ months from the date of contract / commissioning / date of dispatch of materials, i.e. valid up to .....





10. Unless demand or claim under this guarantee is made within six months from the date of expiry of this Guarantee, i.e. ...., all the right of the Owner hereunder shall be forfeited and the Bank shall be relieved and discharged of all liabilities hereunder.
11. Any notice by way of request, demand or otherwise hereunder may be sent by Post to the Bank addressed as aforesaid and if sent by post, it shall be deemed to have been given at the time when it would be delivered in due course of Post and in proving such notice, when given by post, it shall be sufficient to prove that the envelope containing the notice was posted and Certificate signed by an Officer of the Owner that the envelope was so posted shall be conclusive.
12. These present shall be governed by and construed in accordance with Indian Law.
13. The bank hereby declares that it has the power to issue this Guarantee and under signed has full power to do so.

“IN WITNESS WHEREOF THE BANK HAS EXECUTED THESE PRESENT  
THE DAY AND YEAR FIRST ABOVE WRITTEN” SIGNED AND DELIVERED  
ON BEHALF OF THE ABOVE  
NAMED.....





Chennai Petroleum Corporation Ltd., Manali, Chennai-600068.

FORMAT

LETTER OF GUARANTEE FOR ADVANCE PAYMENT

(On non-judicial stamp paper)

To

CHENNAI PETROLEUM CORPORATION LTD.  
Manali. CHENNAI-600 068

WHEREAS \_\_\_\_\_

(hereinafter called the Supplier/s) has/have accepted a purchase order issued by  
CHENNAI PETROLEUM CORPORATION LTD. (hereinafter called the Company)  
for supply of \_\_\_\_\_

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“vide Purchase Order No. \_\_\_\_\_ dated \_\_\_\_\_

of the Company;

WHEREAS the said purchase order provides for payment by the  
Company to the Supplier/s an advance of Rs. \_\_\_\_\_ (Rupees  
\_\_\_\_\_ ) for supplies to be effected by  
the Supplier/s on his/their furnishing a Bank Guarantee for the said advance of Rs. \_\_\_\_\_  
(Rupees \_\_\_\_\_ only) from a  
scheduled bank in a form satisfactory to the Company;

WHEREAS the said \_\_\_\_\_

Have approached us for the bank guarantee, we \_\_\_\_\_

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Do hereby undertake to indemnify and keep indemnified the Company against loss, if any, which the Company may sustain in the event of a default on the part of the Supplier/s according to the Company, to the extent of the said advance of Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_)

We, \_\_\_\_\_, agree to pay you on demand in such manner as you may direct the said amount of Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_ only)

in the event of the failure of the Supplier/s to repay the advance for any reason whatsoever, provided however that the liability of the Bank under this guarantee shall in no case exceed a sum of Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_ only) We,

\_\_\_\_\_ Further agree that the guarantee here in contained shall remain in full force and effect till such time the Company certifies in writing that the said advance of Rs. \_\_\_\_\_

(Rupees \_\_\_\_\_ only)

is fully repaid by the Supplier/s to the Company. We, \_\_\_\_\_ also undertake not to revoke this guarantee during its currency without the previous consent of the Company in writing. This guarantee will remain in force for \_\_\_\_\_

months from \_\_\_\_\_. Your rights to recover the said sum of Rs. \_\_\_\_\_  
(Rupees \_\_\_\_\_) from us in the  
manner aforesaid will not be affected have been raised by M/s.  
\_\_\_\_\_

and /or that any dispute or disputes are pending before any officer, tribunal or court.

The guarantee herein contained shall not be determined or affected by the  
liquidation or winding up, dissolution or change of constitution or insolvency of the said  
Supplier/s, but shall in all respects and for all purposes be binding and operative until  
payment of all moneys due to you in respect of such liability or liabilities.

We have power to issue this guarantee in your favour and the undersigned  
has full power to issued the guarantee under the authority granted to him by the bank.  
Notwithstanding anything contained hereinafter our liability under this guarantee be  
restricted to Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_  
\_\_\_\_\_ only) and our guarantee shall remain in force upto  
\_\_\_\_\_ and unless a demand or claim under the guarantee is made on  
us in writing within a period of three months from that date, we shall be discharged from  
all liabilities under this guarantee thereafter.

For \_\_\_\_\_

(Name of the Bank)

Date : \_\_\_\_\_

(Signature with seal of the Bank)

