

Terms and Conditions of Rate Contract (RC)

1.0 This tender is being issued to enter into Rate Contract(s) (RC) for a period of two (02) years with the objective to achieve increase in the service level regarding supply of the tendered item.

1.1 The Rate contract(s) shall have validity of two (02) years from the date of placement of RC. The coverage will be done through supply order(s) placed against these Rate contract(s).

2.0 Rate Contract:

2.1 The Rate contract is a contract under which, during the period of its validity, the contractor engages to supply materials on demand through Supply Orders placed from time to time, irrespective of quantity, at contracted unit rate or prices, within a given period of placing of Supply Orders.

2.2 The Rate Contract(s) awarded as a result of this tender enquiry will be in the nature of a standing offer where in prices finalized shall remain valid and binding for placement of supply orders during the validity of the RC. The estimated drawl of quantity indicated in the tender is purely tentative/indicative and no commitment is made regarding drawl of quantities. Purchaser reserves the right to place the supply order(s) for the quantities as per actual requirement and no claim whatsoever will be entertained from tenderers on this account.

2.3 Actual supply order (SO) may be placed during the validity of the RC. The supply order(s) shall be placed by purchaser as per the actual requirement from time to time against these Rate Contracts. Therefore, multiple supply orders may be placed against the Rate Contracts. Each supply order will be considered as a separate contract.

3.0 Parallel Rate contracts (RCs):

3.1 Purchaser reserves the right to conclude parallel RCs with more than one firm(s).

4.0 Single Rate for RC: The firm should quote a single rate (one rate) only for a particular Item/PL Code in the NIT which will be variable as per PVC formula given in tender applicable for the entire duration of RC.

Different rates for different periods will not be considered. The offers of firms quoting different rates/ different PVC formulae (other than the one given in tender) for different periods will be summarily rejected. Further, the offers not quoting for the entire duration of validity of RC will also not be considered and will be summarily rejected.

5.0 Placement of Supply order:

5.1 Deleted.

5.2 On conclusion of tender [including acceptance of counter-offer(s) wherever applicable], Letters of Acceptance (LOAs) to the concerned firms will be issued conveying acceptance for such quantities that are decided in the tender and total of such quantities will be subject to a maximum of total of tendered quantities. Supply Orders (SOs) will be placed against RC during the validity of RC by PCMM Office as and when demands are received from user department. Such supply orders (SOs) will be placed on concerned firms for such quantities that will keep the same proportion of quantities as has been accepted in LOAs against the tender. SOs for balance quantity will be placed subsequently as and when demands are received. Quantity distribution of such subsequent SOs will be in same proportion as the LOAs in normal circumstances or with slight variation/time lag in maintaining the proportion depending on quantity/urgency etc. but subject to total accepted quantity in respective LOAs. The variations of quantity of SOs/subsequent SOs will be as per terms and conditions of tender.

5.3 Normally, no fresh supply order may be placed on a firm if a previous supply order is pending and DP has expired or the firm is lagging behind the delivery schedule given in the supply order.

5.4 However, purchaser reserves the right to place supply order on any Contractor for any quantity as per RC without assigning any reason thereof depending on purchaser requirement and no claim will be entertained from them in this regard.

5.5 The poor performance will also be noted for future tenders and the matter will be reported to the vendor approving authority/registering agency for delisting/cancellation of the registration of the defaulting firm.

6.0 Deleted

7.0 Deleted

8.0 Validity and Extension of Rate Contract:

The RCs shall remain valid for the period of two (02) years from the date of issue of RC. Supply orders may be placed up to the last date of the validity of the RC. Delivery date in the supply orders need not necessarily fall within the validity of the RC but it can go beyond it depending upon the terms of delivery stipulated in the RC or as specifically agreed condition of delivery in respect of a particular supply order. No extension of validity period of the RCs itself is required for the purpose of regularising deliveries against outstanding supply orders as delivery period of a Supply Order can continue even after expiry of the validity period of RC. The RCs will remain alive for purpose of delivery of all the stores ordered during the validity of the RCs until deliveries have been completed.

9.1 Effective Date of RC: The RC shall become effective from the date of issue of the RC.

9.2 Effective Date of Supply Order: Supply orders against these RCs shall become effective from the date on which the Purchaser issues the supply order (s) within the validity of Rate Contract.

9.3 The tenderer should note that the Supply Orders will be issued with delivery of specific units of material to be completed within specified period as indicated in the supply order. Each supply order is a separate contract. The tenderer/supplier should note that failure on part of supplier to complete supplies within specified period as indicated in Supply Orders shall be treated as a breach of contract on part of supplier and in such situation Purchaser shall have all rights to take all necessary actions (for the quantity whose delivery period expired but supplies not made by the supplier) against the supplier as per terms and conditions of the contract.

10.0 Delivery Period:

10.1 Deleted

10.2 The delivery period shall be specified in each Supply Order issued under the Rate Contract placed on the supplier on a severable contract basis. The supplier shall be required to supply the material at the rate of minimum 9,00,000 numbers per three (03) months from the date of issue of the Supply Order. In case the ordered quantity in supply order exceeds 9,00,000 numbers, delivery period in the supply order shall be enhanced proportionately on severable basis.

Note: Even in cases where due to unavoidable circumstances the quantity ordered under a particular supply order is less than 9,00,000 numbers, delivery period of three (03) months shall still be applicable.

10.3 The Contractor is advised to maintain sufficient stocks of required raw-material so that on receipt of Supply Order from the Purchaser, material can be dispatched on short notice.

10.4 Rate Contract(s) will remain alive for the purpose of delivery for all stores ordered during the validity of Rate Contract until deliveries have been completed.
