

SPECIAL CONDITIONS FOR TENDER

1. In supersession to clause 30 of General Conditions of Contract 'Form B' the guarantee period of the transformer shall be For a period of **60 (Sixty) calendar months** commencing immediately upon the setting to work of the plant or of **66 (Sixty Six) months** from the date of receipt of equipment by the Purchaser at site whichever is earlier, called the Maintenance period", the Contractor shall remain liable to replace any defective parts that may develop in plants of his own manufacture or those of his sub-contractors approved under clause 6, under conditions provided for by the Contract under proper use and arising, solely from faulty designs, materials or workmanship. PROVIDED ALWAYS that such defective parts as are not reparable at site and are not essential in the meantime to the maintenance in commercial use to the plant are promptly returned to the Contractor's work at the expense of the contractor unless otherwise arranged.

If it becomes necessary for the contractor to replace or renew any defective parts of the plant under this Clause, the provisions of the first paragraph of this clause shall apply to the parts of the plant so replaced or renewed until the expiration of six months from the date of such replacement of renewal or until the end of the above mentioned period of thirty six months, whichever is later.

If any defect be not remedied within a reasonable time the Purchaser may proceed to do the work at the Contractor's risk and expense, but without prejudice to any other rights, which the Purchase may have against the Contractor in respect of such defects.

The repaired or new parts will be delivered in accordance with clause 10. The Contractor shall bear reasonable cost of minor repair carried out on his behalf at site.

At the end of the Maintenance period the Contractor's liability shall cease. In respect of goods not covered by the first paragraph of this clause, the Purchaser shall be entitled to the benefit of any guarantee given to the Contractor by the Original supplier of manufacturer of such goods.

2. **Additional Guarantee Period:** The material supplied by the **trial supplier** (covered under cl. 1.2.6 of instruction to tenderer) shall be guaranteed for **additional 24 months** from the guarantee period applicable for regular supplier.
3. Payment shall be made after receipt and satisfactory checking of material at site as per conditions of Form 'B'. No interest shall be paid for delayed payments, whatsoever the delay may be.

4.1 The individual tender wise Security amount shall be 10% of the tender.

or

4.2 Consolidated Security : The bidder shall also have the option to submit the consolidated security as per following details:-

- 4.2.1- पश्चिमांचल विविनिलि में परिवर्तकों की आपूर्ति के लिये निविदादाता को न्यूनतम रु0 50 लाख की कन्सोलिडेटेड बैंक गारण्टी देनी होगी जो रु0 10 करोड तक के कार्यो हेतु न्यूनतम गारण्टी होगी। तदुपरान्त निम्नवत् कन्सोलिडेटेड बैंक गारण्टी देनी होगी:-

क्रयादेशों की कुल राशि	कन्सालिडेटेड बैंक गारण्टी
Above Rs. 10 Cr to Rs. 15 Cr.	Rs. 75 Lacs
Above Rs. 15 Cr to Rs. 20 Cr.	Rs. 1 Cr
Above Rs. 20 Cr to Rs. 25 Cr.	Rs. 1.25 Cr.
Above Rs. 25 Cr.	Rs. 1.30 Cr

- 4.2.2- कन्सोलिडेटेड बैंक गारण्टी का विकल्प चुनने पर आपूर्तिकर्ता फर्मों को प्रथम क्रयादेश के लिये आफ इन्डेंट जारी होने के अधिकतम एक माह के अन्दर आगामी वित्तीय वर्ष में सम्भावित कुल क्रयादेशो के सापेक्ष उपरोक्त तालिका के अनुसार किसी एक स्लैब के समतुल्य धनराशि बैंक गारण्टी के रुप में जमा करनी होगी।

- 4.2.3. यदि किसी भी समय निगम को ऐसी आवश्यकता जान पड़ती है कि सन्दर्भित कन्सोलिडेटेड बैंक गारण्टी अपर्याप्त है तब फर्म को उच्चतर स्लैब के समतुल्य धनराशि की कन्सोलिडेटेड बैंक गारण्टी जमा करनी होगी।
- 4.2.4. साथ ही आपूर्तिकर्ता द्वारा कन्सोलिडेटेड बैंक गारण्टी का विकल्प चुने जाने पर बैंक गारण्टी में निम्नलिखित क्लॉज को सम्मिलित किया जाना होगा:-

Present clause (Clause 2 of form of guarantee bond for security)	Amended clause (To be incorporated in consolidated B.G at clause no. 2 of Guarantee Bond)
We _____ Bank Ltd. do hereby undertake to pay the amount due and payable under this guarantee without any demur merely on demand from the Nigam stating that the amount claimed is due by way of loss or damage caused or would be caused to or suffered by the Nigam by reason of any breach by the said Contractor of any of the terms and conditions contained in the said Agreement or by reason of the Contractors failure to perform the said agreement. Any such demand made on the Bank shall be conclusive as regards the amount due and payable by the Bank under this guarantee. However, our liability under this guarantee shall be restricted to an amount no exceeding to Rs. _____.	We _____ Bank Ltd. do hereby undertake to pay the amount due and payable under this guarantee without any demur merely on demand from the Nigam stating that the amount claimed is due by way of loss or damage caused or would be caused to or suffered by the Nigam by reason of any breach by the said Contractor of any of the terms and conditions contained in the said Agreement or any other agreement executed by supplier with PVVNL for supply of any type or capacity of transformer or by reason of the Contractors failure to perform the said agreement or any other agreement executed by supplier with PVVNL for supply of any type or capacity of transformer . Any such demand made on the Bank shall be conclusive as regards the amount due and payable by the Bank under this guarantee. However, our liability under this guarantee shall be restricted to an amount no exceeding to Rs. _____.

- 4.2.5 किसी भी वर्ष में दी गयी गारण्टी को न्यूनतम 3 वर्ष तक वैध (Valid) रखा जायेगा।
- 4.2.6. यदि किसी कम्पनी के परिवर्तको में गुणवत्ता की शिकायतों पर कम्पनी को व्यापार निषिद्ध अथवा ब्लैकलिस्ट किया जाता है तब कम्पनी को यह अधिकार होगा कि वे कन्सोलिडेटेड बैंक गारण्टी को इनकैश करा लें।
5. The purchaser is not bound to accept the lowest or any tender and may reject any or all the tenders, without assigning any reason. The purchaser may negotiate or re-tender on limited tender basis if substantial financial benefit is likely to accrue to the Board/Corporation. This is known as inviting “Rock Bottom Rates” where in the Tenderers are given the choice to reduce their rates to the minimum level possible. The purchaser may also provide the counter offer rates if need be, to the various Tenderers in the best interest of the Corporation.
6. **Price Fall Back:** If certain quantity of the equipment ordered under this specification remains unsupplied up to finalization of next/subsequent tender, lowest of the prices of this tender and the subsequent tender shall be payable for balance unsupplied material. In case the tenderer do not agree to supply the balance unsupplied quantity at the lower rates received in new tender, the unsupplied tendered quantity will be cancelled without prejudice.
7. In case on receipt of inspection call from the firm after agreement, the material is not found ready or not as per GTP/Drawing/Technical Specification and relevant IS by the inspection team of PVVNL at the works of firm/manufacturer, the penal charges for such futile journeys shall be levied as per following:
- Location of firms works upto a distance of 1000 Kms. - ₹ 35,000.00 from PVVNL headquarter-Meerut
 - Location of firms works above distance of 1000 Kms. - ₹ 40,000.00 from PVVNL headquarter-Meerut.

The re-inspection call shall be entertained only after submission of futile journey charges by the firm in the form of demand draft in the name of Managing Director, PVVNL-Meerut and payable at Meerut. The firm shall be responsible for delay in supply of material due to futile journey as above.

The above shall be applicable with the following conditions:

- The firm shall be allowed to withdraw or defer the inspection call only once during the currency of the contract.

- b) If after withdrawing or deferment of inspection call once as mentioned in (a) above, firm again withdraws or defers inspection call due to reasons beyond their control, the Managing Director, PVVNL-Meerut may waive off the above penalty on merit.

The futile journey charges shall be allowed maximum two times. In case of failure of inspection twice, the action against the firm shall be taken as per rules.

These Special Conditions shall be read and construed alongwith the general conditions of Form 'B' and 'Instructions to Tenderers' but in case of any conflict or inconsistency between provision of Form 'B' and 'Instruction to Tenderers' the conditions contained herein shall prevail.

9. **A) Challenge testing**
 - a. The label contents can be challenged by any person.
 - b. The challenge must be submitted to PVVNL in writing.
 - c. PVVNL will examine the challenge within a month of the date of receipt in writing. The Standards and Labeling Implementation Committee will recon whether to conduct a challenge test or not, keeping in view the basis of the complaint and examination of past records.
 - d. The decision of PVVNL shall be final and will be conveyed to complainant along with justification.
 - e. If a challenge test is required then
 - i. The complainant will deposit the expenses related to transportation (to and from the place of picking of sample to the test laboratory) and testing in advance to PVVNL.
 - ii. PVVNL will arrange for selection and sealing of samples. The transportation to the assigned laboratory is the task of the user of label.
 - iii. The testing will be conducted in an independent Test laboratory as per decision of PVVNL and the testing charges would be paid out of the advance by the complainant.
 - f. The complainant and the user of label may witness the process of challenge testing.
 - g. If the equipment fails the challenge test, then the expenses paid by the complainant would be reimbursed by the user of label whose equipment has failed.
 - h. If the equipment passes the challenge test, then the deposit of complainant would be forfeited. If the equipment fails the challenge test the enforcement process (section) will be followed.
- B) Enforcement Process**
 - a. If the equipment fails the verification/challenge testing, then the matter will be placed before the Standards and labeling Implementation Committee and the user of label will be informed about the failure.
 - b. The user of label has the option to go in for the second test, in case the equipment fails the first verification/challenge test
 - c. A second test will be carried on with twice the initial test sample size, and all the samples should pass the test.
 - d. The user of label will bear the expenses related to the second test.
 - e. If the equipment passes the second verification/challenge test then no further action would be taken and the appliance would deem to confirm to the label.
 - f. If the equipment subjected to verification/ challenge testing fails the second test the user of label will within the given time limit by PVVNL:
 - i. Correct the label level or remove the defects or deficiencies found for next equipment/models yet to be shipped out as well as for equipment/model sale in the market.
 - ii. Change particulars/information on advertising material
 - g. If the user of label fails to comply with the direction issued under clause (f) the use of label for that model will be prohibited. In addition,
 - i. PVVNL will inform the consumers about the failure of the equipment by wide publicity.
 - ii. PVVNL may advise the government to debar the equipment/model and the user of the label from participating in any public tender.
10. The "Engineer of Contract" reserves the right to send a sample of the material out of the supply to any recognized government laboratory/test house and get any/all the tests conducted. As far as possible these tests shall be got conducted in presence of the representative of "Engineer of the Contract" and the supplier.

11. In addition to this, as per Managing Director, UPPCL Letter No. 1622-रेस्पो/ग्रा0वि0/सैम्पल टैस्टिंग dated 23.05.2019, the following penalizing action shall be taken by the "Engineer of the Contract" :-

1-A Quality Control (for purchase order)

Purchaser shall send any randomly selected sample (s) from the each lot of total ordered material for any/all Routine/Acceptance/type Test as per technical specification/ISS in govt. Lab. The results of such test shall be final and binding on the both the purchaser and supplier. The Cost of such test (s) shall initially be borne by the purchaser and in case the materials is found not conforming to desired specifications, the above cost shall be recovered from the supplier in addition to this following panel action shall be taken by the purchaser :-

(a) **The order for the remaining supplies shall be cancelled.**

(b) **The supplier will be debarred/blacklisted from participating in Tenders for at least 3 Years from the date of tests result into failure of the supplied materials.**

12. All instruments used in inspection and testing should be properly calibrated and sealed once a year. Calibration certificates when demanded by the inspecting officer shall be produced for verification purpose. In case of any dispute regarding calibration of Instrument. Instrument shall be sealed and signed by the representative of the supplier and purchaser and will be sent to Institution / Laboratory of repute for calibration at the cost of supplier. The results of such testing shall be binding on the supplier.
13. Inspection of offered material shall be carried out at the works of Contractor by Inspecting Team deputed by SE (Quality Control Cell), PVVNL, Meerut.
14. During inspection, the Contractor may be required to produce acceptance and type test report of the manufacturers of all the bought out items to satisfy the inspecting officers that it conforms the standards contained in technical specification and guaranteed technical particulars.
15. Copies of all type test along with drawings approved by CPRI/ERDA as per Technical Specification shall be submitted as per successful type testing. In case of any variation in parameter, drawing shall be finally approved by the Engineer of Contract taking into consideration the dimensions offered in GTP drawings duly approved by CPRI/ERDA and technical specification. Four sets of all relevant drawings of Transformer may be submitted for approval within one week of this order.
16. The manufacturer on receipt of damage report from consignee shall ensure to lift the damaged transformer within fifteen (15) days of such notice and in case, the repair work / replacement of transformer is not affected within Sixty (60) days, the consignee will deduct a penalty of 0.5% per week, of the value of the transformer. The transformer damaged under guarantee period shall be allowed to be repaired only twice. In case the transformer is damaged third time within the guarantee period, the transformer will be returned back to the supplier after deducting the amount equivalent to award value of the transformer.
17. Max losses, Minimum Weights of core, conductor & oil and Plate Thickness of offered 10 MVA Transformers shall be as follows :

SI No	Capacity	Max. No Load Losses (KW)	Max. Load Losses (KW)	Minimum weight			Minimum Thickness of Tank (mm)	
				Core (Kg)	Conductor (Kg)	Transformer OIL (Kg)	Top & Bottom	Side
1	33/11 KV 10 MVA Power Transformer	7	50	7800	4053	4300	12	10

The offer of the firms whose GTP does not meet the above requirements shall be summarily rejected.

18. **(A) Quality Control (for purchase order) :-**

प्रबन्ध निदेशक उ०प्र०पा०का०लि० के पत्र संख्या-505-रेस्पो/सौभाग्य/क्वालिटी सेल दिनांक 28.01.2021 के अनुसार वितरण परिवर्तकों की गुणवत्ता के सम्बन्ध में निम्न प्रक्रिया का पालन सुनिश्चित किया जायेगा:-

1. Procedure of Sample selection from the supplied lot:-

The sample for the testing in the NABL accredited /CPRI/ERDA Lab shall be selected as under :-

- If the each lot size in agreement is more than 300 no Two sample from the each lot.
- If the each lot size in agreement is 300 or less One sample from the each lot.

As per the criteria mentioned above, the sample shall be selected and sealed from the supplied lot in the presence of the following officials:-

- For DT Capacity upto 200 KVA
 - Assistant Engineer, Electricity Store Centre, concerned.
 - Junior Engineer (Store)/Store Keeper, concerned.
 - Representative of the supplier firm.
- For DT Capacity above 200 KVA
 - Executive Engineer, Electricity Store Division concerned.
 - Assistant Engineer (Store), concerned.
 - Representative of the supplier firm.

The Chief Engineer (Quality Cell) & Superintending Engineer, Electricity Store Circle of Discom concerned will ensure that sample is selected and sealed in the presence of the authorized representative of the firm within 20 days of receipt of the material at store centre. The store centre concerned shall be responsible to intimate the date of sampling to the supplier through email/speed Post. The suppliers are required to intimate their official email ID to store centre and depute their representative for selection and sealing of the sample in their presence, failing which the sample will be selected in the presence of the other members of the team.

The sealed sample shall be sent to the reputed NABL, accredited/CPRI/ERDA testing lab. The list of the testing lab shall be prepared by the Quality Cell and got approved from the Managing Director of Discom. The quality cell shall nominate the testing lab from the approved list and direct the store officers to send the sample to lab for testing, in a secured way. The sample of the distribution transformer shall be tested for the following tests in the testing lab:-

Sl. No.	Name of Tests
A.	Tests to be conducted on Sample Transformer (IS 1180 with amendments)
1.	For Distribution Transformer above 200 KVA Capacity:- Lightening Impulse Voltage Withstand Test on one transformer from one of the supplied lot on random selection basis against the total ordered quantities.
2.	For Distribution Transformer above 200 KVA Capacity:- Short Circuit Withstand (Thermal & Dynamic ability) Test on one transformer from one of the supplied lot on random selection basis against the total ordered quantities.
	Tests on all rating of DTs
1.	No Load loss at service Voltage & normal frequency. 50% & 100% load loss at rated current and normal frequency.
2.	Temperature Rise Test.
3.	Pressure Test
B	Special Tests
1.	Measurement of Voltage ratio/check of phase displacement
2.	Double Voltage Double Frequency Test

The test results will be binding on the suppliers and the Discom. In case of sample not meeting the above tests parameters, the following action shall be taken:-

- A. If the material of whole lot has not been utilized, following penal actions will be taken on the supplier to ensure good quality supply:-

Case	Failure	Replacement	Penal Action	Debarment from business/Blacklisting
			Financial Penalty	
Failure-1	Ist time failure in fresh lot	100%	NIL.	NIL.
Failure-2	IInd time failure in subsequent lot or replaced previous lots of same P.O.	100%	10% of the ex-works including F&I value of the lot.	NIL.
Failure-3	IIIRD time failure in subsequent lot or replaced previous lots of the same P.O.	100%	NIL.	Debarment/Blacklisting from business in All DISCOMs for 2 years (I) encashment of performance bank guarantee

- B. If the material of each lot has been consumed due to urgent/necessary requirement, the DISCOM will deduct penalty as per below mentioned details:-

Failure	Penal Action	
	Financial Penalty	Debarment from business/Blacklisting
Failure of sample in testing except losses (Load loss at 50% and 100% load)	20% of the ex-works (including F&I) Value of the lot.	NIL.
Failure of sample in testing including losses (Load loss at 50% and 100% load)	20% of the ex-works (including F&I) Value of the lot.	Debarment/Blacklisting from business in All DISCOMs for 2 years (+) encashment of performance bank guarantee

- C. The provisions in the above tables A and B shall be implemented in the following order:-

- i. If whole lot is not consumed till the receipt of the test reports, table A shall be applicable.
 - ii. If whole lot is consumed till the receipt of the test reports, table B shall be applicable.
 - iv. If the lot is partially consumed till the receipt of the test reports, then table B shall be applicable on the consumed portion of the lot whereas table A shall be applicable on the unconsumed portion of the lot.
2. **Modification in GTP:-** HV & LV winding resistance modified at 20 & 75⁰C and as certified by the testing lab in the type tests of the offered design in the bid for short circuit withstand test (before short circuit), should be mentioned in GTP (with $\pm 5\%$ manufacturing tolerance). The quality cell of each Discom should have few precision calibrated mili-ohm meter and resistance of each power and distribution transformer at store centre should be measured and recorded mandatorily by the team deputed by the quality cell through above instruments.
 3. The Chief Engineer (MM), Discom shall be responsible to issue unique number to each power and distribution transformer irrespective of any scheme. The designated unique number should be embossed on care coil assembly and tank body (on properly welded mild steel plate of size 150x150x3 mm size on tank body) of each power and distribution transformer.
 4. During the stage inspection of power transformer, the inspection team should sign with permanent marker pen/wax pen on each part of the transformer.
 5. After successful final inspection of the power transformer, the supplier should diagonally seal weld the top cover and tank body with U clip (min. 50 mm wide 2 mm thick). The inspecting officer shall also mark their signature on U clip with permanent marker/wax pen after seal welding.

- 19.** The following provisions have been made for micro, small scale industries (MSE's) and startups, vide OM No. 8930/PVVNL-MT/MM/21-22 dated 16.02.2022 of Chief Engineer (MM) PVVNL Meerut in compliance of MD UPPCL, Lucknow OM No. 634 dated 09.04.2021 and OM 1499 dated 13.09.2021 :-

पविनिनि लि की उत्पादों एवं सेवाओं हेतु आमंत्रित निविदाओं में प्रतिभाग करने वाले सूक्ष्म एवं लघु उद्यमों (MSE's) को निम्नलिखित लाभ प्रदान किये जाते हैं—

(1). प्राइस मैचिंग का विकल्प:-

- 1.1 यदि टेण्डर में एल-1 आफर देने वाली फर्म उत्तर प्रदेश में स्थित सूक्ष्म एवं लघु उद्यम से इतर है (अर्थात् मध्यम या बृहद फर्म है) और किसी सूक्ष्म एवं लघु उद्यम के द्वारा एल-1 आफर के मूल्य के 15 प्रतिशत की सीमा तक अधिक मूल्य अंकित किया गया है तो ऐसी दशा में उक्त सूक्ष्म एवं लघु उद्यम(या एक से अधिक ऐसे उद्यमों की दशा में 15 प्रतिशत बैंड में स्थित सभी सूक्ष्म एवं लघु उद्यमों) को यह अधिकार होगा कि वे अपने मूल्य को एल-1 स्तर पर लाकर कुल निविदा मूल्य के 25 प्रतिशत तक की सीमा तक आपूर्ति कर सकते हैं। ऐसी स्थिति में विभाग या उपक्रम द्वारा अनुमति दी जायेगी तथा आपूर्ति भी सुनिश्चित की जायेगी। एक से अधिक सूक्ष्म एवं लघु उद्यमों की दशा में उनसे ली जाने वाली आपूर्ति को उनके द्वारा निविदित मात्रा के आनुपातिक रूप में बांटा जायेगा।
- 1.2 टेण्डर के उपरांत सूक्ष्म एवं लघु इकाइयों के पक्ष में निर्णय लेते समय गुणवत्ता के मानकों में किसी प्रकार की छूट संबंधित इकाइयों को नहीं दी जायेगी और आशय का उल्लेख टेण्डर में स्पष्ट रूप से अंकित भी किया जायेगा।

(2). विभागीय क्रय में सूक्ष्म एवं लघु उद्योगों से क्रय किये जाने हेतु आरक्षण:-

उ0प्र0 पावर कारपोरेशन लि0 एवं सहयोगी वितरण निगम आदेश निर्गत होने की तिथि से अपने अधीन प्रस्तावित कुल वार्षिक क्रय (उत्पाद एवं सेवाओं को सम्मिलित करते हुए) का न्यूनतम 25 प्रतिशत लक्ष्य उत्तर प्रदेश में स्थित सूक्ष्म और लघु उद्यम के उत्पादों या सेवाओं से क्रय द्वारा आपूर्ति करने के उद्देश्य से निर्धारित करेंगे। शर्त यह है कि यदि 25 प्रतिशत क्रय के लिये उत्तर प्रदेश में स्थित सूक्ष्म एवं लघु इकाई उपलब्ध नहीं है अथवा 25 प्रतिशत के लक्ष्य में कमी आती है तो देश में स्थित किसी भी सूक्ष्म एवं लघु इकाई से 25 प्रतिशत की पूर्ति की जायेगी।

(3). सूक्ष्म एवं लघु उद्योगों से क्रय किये गये उत्पादों एवं सेवाओं की आपूर्ति में निम्नलिखित को भी गिना जायेगा—

- 3.1 बृहद उद्यमों को दिए गए क्रयदेशों के सापेक्ष उनके द्वारा सूक्ष्म एवं लघु उद्यमों को निर्गत उपसंविदाओं के माध्यम से की गयी आपूर्ति।
- 3.2 उत्तर प्रदेश लघु उद्योग निगम द्वारा गठित सूक्ष्म एवं लघु उद्यम संघों की उपसंविदाओं के माध्यम से की गयी आपूर्ति।

(4). संव्यवहार लागत में कमी:-

व्यवसाय चलाने की संव्यवहार लागत में कमी लाने के उद्देश्य से सूक्ष्म और लघु उद्यम (MSE's) तथा स्टार्टअप्स को निम्नलिखित सुविधाएं दी जायेगी:-

- 4.1 निविदा सेट निःशुल्क उपलब्ध कराया जाएगा।
- 4.2 ईएमडी से छूट प्रदान की जाती है।

NOTE:-

1. If the bidder firm comes under the criteria of exemption from Tender fee and EMD as per terms-condition of tender, being MSE's or startup firm, and seeking the exemption from Tender fee and EMD, they have to submit an under taking giving the reason for exemption mentioning the category of the firm i.e. small/micro/startup with relevant certificate issued by the competent government authority.
2. Certificate for Micro & Small enterprises issued by MSME shall be on the basis of latest audited balance sheet failing which the claim for exemption in tender fee and EMD shall not be considered & offer of the bidder shall be rejected for further evaluation.

These Special Conditions shall be read and construed alongwith the general conditions of Form 'B' and 'Instructions to Tenderers' but in case of any conflict or inconsistency between provision of Form 'B' and 'Instruction to Tenderers' the conditions contained herein shall prevail.

Anti-profiteering clause: As per sanction 171 of CGST Act 2017, any reduction in rate of tax on any supply of goods or services or the benefit of input tax credit shall be passed on to the recipient by way of commensurate reduction in prices. Hence supplier/manufacturer to ensure to pass the benefit of reduced prices to UPPCL. Further prices quoted by supplier/manufacturer is subject to scrutiny under above section.