

Price Variation Formula (Dry) Applicable in Specification no PVVNL-MT/MM/157/24-25

- 1.0 The Variable rates of 11 KV Pilfer Proof Metering Cubicles shall be applicable on the basis of following price variation formula and fixation of price shall be done accordingly, subject to contracted delivery schedule.

$$P = \frac{P_o}{100} \left(14 + 26 \frac{C}{C_o} + 22 \frac{ES}{ES_o} + 4 \frac{FE}{FE_o} + 21 \frac{ER}{ER_o} + 13 \frac{W}{W_o} \right)$$

Wherein,

P = Price payable as adjusted in accordance with the above formula.

P0 = Price quoted/confirmed.

C0 = Average LME settlement price of Copper wire bars.

This price is as applicable for the month, **ONE** month prior to the date of tendering.

ES0 = Price of CRGO Electrical Steel Lamination.

This price is as applicable on the 1st working day of the month, **ONE** months prior to the date of tendering.

FE0 = Wholesale price index number for 'Manufacture of Basic Metals' (Base: 2011-12=100)

This index number is as applicable for the month, **THREE** month prior to the date of tendering.

ER0 = Price of epoxy resin.

This price is as applicable on the 1st working day of the month, **ONE** month prior to the date of tendering.

W0 = All India average consumer price index number for industrial workers, as published by the Labour Bureau, Ministry of Labour, Govt. of India (Base: 2016 = 100)

This index number is as applicable on the first working day of the month, **THREE** months prior to the date of tendering.

- 2.0 For the purpose of calculating price variation on either side, the declared prices of IEEMA as applicable on the date one month before the date of offer for inspection to the Superintending Engineer (Data Quality Cell), Victoria Park, PVVNL, Meerut or the delivery schedule, which ever is lower shall be taken into consideration. The price variation claim shall be duly supported by certified photostat copies of the circulars of the IEEMA. The price rise shall not be claimed as routine unless authorized by the Engineer of the contract.
- 3.0 No variation on account of variation in transport charges of raw materials from suppliers works/depots to supplier works or price of other material as required in the manufacture of tendered item or taxes and duties on intermediate products or railway freight or packing and forwarding charges or wages escalation and other incidents if any shall be entertained.

- 4.0 For price variation claim, the necessary calculation and authenticated documentary evidence/proof based on IEEMA circular's in support of claim shall be submitted to the purchaser for approval. Price escalation shall be allowed only after approval of the same from this office and the supplier shall not claim any price rise as a matter of routine. The purchaser will not be responsible to bear any additional liability on account of delay in approval for price variation.
- 5.0 No price rise shall be allowed beyond the contracted delivery schedule.
- 6.0 In case any decrease in IEEMA prices, such decrease will be immediately brought to the notice of the purchaser to revise the price accordingly. In case your failure to do so, the purchaser shall be at liberty to recover the excess amount drawn by you, if any by operating bank guarantee or in any manner deemed appropriate.