

Price Variation Formula Applicable

1.0 The Variable rates of 33 KV PT Outdoor 33 KV/110 V, Suitable to different make of 33 KV Indoor Incoming Vacuum Circuit Breaker for proper functionality of metering and modems at 33/11 KV substations shall be applicable on the basis of following price variation formula and fixation of price shall be done accordingly, subject to contracted delivery schedule.

$$P = P_o / 100 (20 + 3 AL / AL_o + 21 C / C_o + 8 ES / ES_o + 13 FE / FE_o + 10 IN / IN_o + 4 ER / ER_o + 5 TO / TO_o + 16 W / W_o)$$

Wherein,

- P = Price payable as adjusted in accordance with the above formula.
- P_o = Price quoted/confirmed.
- AL_o = Price of LME CSP average of Aluminium
This price is as applicable on the first day working day of the month, ONE month prior to the date of tendering.
- C_o = Average LME settlement price of Copper wire bars
This price is as applicable for the month, ONE month prior to the date of tendering.
- ES_o = 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.
- FE_o = Wholesale price index number for 'Manufacture of Basic Metals'
This index number is as applicable for the month, THREE month prior to the date of tendering.

- IN_0 = Wholesale price index of insulator'
This index number is as applicable for the month, THREE month prior to the date of tendering.
- ER_0 = 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.
- TO_0 = Price of transformer oil
This price is as applicable on the 1st working day of the month, ONE month prior to the date of tendering.
- W_0 = 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 1st working day of the month, three month 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 (DQC), Victoria Park, PVVNL, Meerut or the delivery schedule, whichever 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.