

PVC FORMULA OF COMMUTATOR BAR BLANK – TM4303

For the purpose of evaluations of tenders,

A) Base Rate of Copper (C):

For the purpose of evaluations of Tenders, average of {LME CSP in BME of 1st fortnight of the Month of Techno-commercial bid opening multiplied by exchange rate declared in the same circular (FBIL+0.05 or 0.1(As per circular)) and LME CSP rate in BME circular of 2nd fortnight of the previous month to month of techno commercial bid opening multiplied with exchange rate i.e. (FBIL+0.05 or 0.1(As per circular)) declared in the same circular} shall be considered as Base rate for PVC. (C) &

B) Base Rate of Silver (S) Lowest of LME (London Metal Exchange) Silver price on 1st working day of the calendar month one month **earlier** to techno-commercial bid opening i.e., Rs. S / Kg shall be considered as base. **AND**

C) Lower of the following two shall be considered for Copper to compute the C1 for PVC

i) Average of {LME CSP in BME of 1st fortnight of the Month of scheduled delivery multiplied by exchange rate i.e. (FBIL+0.05 or 0.1(As per circular)) declared in the same circular and LME CSP rate in BME circular for 2nd fortnight of the previous month to month of scheduled delivery multiplied with exchange rate i.e. (FBIL+ 0.05 or 0.1(As per circular)) declared in the same circular}.

ii) Average of {LME CSP in BME of 1st fortnight of the Month of actual delivery multiplied by exchange rate i.e. (FBIL+0.05 or 0.1(As per circular)) declared in the same circular and LME CSP rate in BME circular for 2nd fortnight of the previous month to month of actual delivery multiplied with exchange rate i.e. (FBIL+0.05 or 0.1(As per circular)) declared in the same circular}. &

D) Lowest of LME (London Metal Exchange) Silver price on 1st working day of the calendar month one month **earlier either of P.O. delivery schedule or actual delivery whichever is lower (S1/Kg) will be considered for calculation of PVC effect.**

PVC effect with respect to copper (EC) will be calculated on the drawing weight of the item & PVC effect with respect to silver (ES) will be calculated on the average weight of silver in the item worked out on the basis of average %age of silver content as per item's purchase specification.

Note: For Example, below - "Base Price of Copper for PVC" in case of Tender opening on AUG -2021. If due date of tender changes, the base rate of Copper may change

Accordingly based on following data, Base Price of Copper for PVC is as below:

1. BME Circular of 1st fortnight of AUG- 2021 {Generally released between 1st August to 15th August, however released on 31.07.2021}.
2. BME Circular of 2nd fortnight of JULY- 2021 {Released on 16.07.2021}

Date for Aug. 2021 (Month of Techno-Commercial Bid opening)	LME rates in BME Circular(USD/MT)	Average FBIL Rate + 0.10 or 0.05 (as per Circular) (Rs./USD)	Fortnightly BME Rate (Rs./Kg.)	Average of two fortnights (Rs./Kg.)
31.07.2021	9497.64	74.61	708.62	704.03
16.07.2021	9369.55	74.65	699.44	

The BME Circular is accessible at www.bme.in (Circular→BME Bench Mark Copper Billets Circular).

Considering the above facts, Base price for Copper (C) is **Rs. 704.03 per Kg** with calculation as follows :

FOR ILLUSTRATION PURPOSE:

C Base price of Copper = **Rs. 704.03 / Kg (For Aug-2021)**
 S Base price of Silver = **(Rs. 26.035 * 74.85) / 0.0311 = Rs. 62,659.80 /Kg (For 1st July-2021)**
 (Silver price (INR) per Kg = (US\$ per Troy Ounce x SBI TT Sell Rate)/.0311)
 1 Troy Ounce = 0.0311 Kg

Note : For conversion of LME silver rate, 1st working day of the Calendar month, one month **earlier** to techno-commercial bid opening for S/kg and 1st working day of the calendar month one month **earlier** either of P.O. delivery schedule or actual delivery whichever is lower for (S1/Kg), USD Dollar w.r.t. INR as per SBI (TT- SELL) along with LME silver rate shall be considered as per example depicted in the below table.
 Related sites are (<https://www.lme.com/en-GB/Metals/Precious-metals/LME-Silver#tabIndex=1>)

SBI (TT-SELL) as available in BHEL intranet site & for Example please refer link for Apr2020 : (http://intranet.bhel.in/FSD/SBI%20Card%20Rate/2020-2021/01_APR_2020/03.04.2020.pdf)

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Further for Example Please refer table as below for Conversion of LME Silver Rate from US\$ to INR:

1st working day of the calendar month Lowest Silver rate(US \$ per Troy Ounce) (B)		1 st working day of the Calendar month USD Dollar w.r.t. INR (USD/INR) (C)		Silver Rate in INR((B*C)/.0311) per Kg
2 nd Jan	17.910	1 st Jan	71.75	41319.69
3 rd Feb	17.660	3 rd Feb	72.05	40913.27
2 nd Mar	16.710	2 nd Mar	72.55	38981.045
1 st Apr	13.940	3 rd Apr	76.50	34289.71
1 st May	14.905	1 st May	76	36423.79
1 st June	18.085	1 st June	75.78	44066.92
1 st July	18.125	1 st July	75.97	44275.12
3 rd Aug	24.060	3 rd Aug	75.35	58293.27

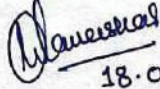
Drawing weight of the item (COMMUTATOR BAR BLANK FOR TM-4303) in Drg. No. 34394280001 is **0.28 Kg**

Average silver content of the Commutator Bar / Segment as per spec. BP12075 is **(0.25%)**

EXAMPLE : Final price of Commutator Bar / Segment shall be worked out as follows :

1	Drawing weight of the item in drg	CW in Kg
2	Average silver content of the Commutator Bar / Segment as per spec.	SW in%
3	P.O. price of Commutator Bar / Segment in Rs.	P
4	PVC effect with respect to copper (EC)	EC=(C1-C) x CW
5	PVC effect with respect to silver (ES)	ES=(S1-S) x CW X SW%
6	Final price of Commutator Bar / Segment in Rs. (P1)	P1= [P + EC + ES]

Note : In case of Early Delivery desired by BHEL is covered in the P.O. remarks and if at all party is agreed upon to deliver the item before P.O. delivery schedule, for PVC purpose the C1/kg will be considered for the month in which the Actual Delivery is executed and for actual quantity delivered and S1/kg will be considered on 1st working day of the calendar month one month earlier to the Actual delivery executed and for actual delivered QTY..


18.08.2021
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