

245592/2024/PS-DEM-MAX
PRICE ADJUSTMENT FORMULA FOR MAIN SUPPLY AND MANDATORY SPARES FOR
MILL REJECT SYSTEM PACAKGE FOR LARA STPP STAGE-II (2X800MW)

- (1) The price adjustment formula is defined for price components related to Main Supply including commissioning spares and Mandatory spares.
- (2) The amount of price adjustment shall be computed as under:

$$EC = EC1 - EC0$$

EC1 will be computed as follows:

$$EC1 = EC0 \times \{F + a \times (0.4 \times A_1 / A_0 + 0.1 \times B_1 / B_0 + 0.5 \times C_1 / C_0) + L_b \times L_1 / L_0\}$$

Where

EC = Adjustment in Ex-Works supply Price.

EC1 = Adjusted Amount of Ex-Works supply Price.

EC0 = Ex-Works supply Price as per LOA.

(i) 'F' shall be fixed portion of the Ex-Works supply price and shall be considered as 0.15.

(ii) 'a' shall be co-efficient of major materials/ items involved in the Ex-Works Component of the Contract Price and shall be considered as 0.55.

(iii) 'A' shall be Wholesale Price Index for "MANUFACTURE OF FABRICATED METAL PRODUCTS, EXCEPT MACHINERY AND EQUIPMENT" as published in RBI Bulletin, Sl.no. 1.3.15, Base: 2011-12 = 100

(iv) 'B' shall be Wholesale Price Index for "MANUFACTURE OF ELECTRICAL EQUIPMENT" as published in RBI Bulletin, Sl.no. 1.3.17, Base: 2011-12 = 100

(v) 'C' shall be Wholesale Price Index for "MANUFACTURE OF MACHINERY AND EQUIPMENT" as published in RBI Bulletin, Sl.no. 1.3.18, Base: 2011-12 = 100

(vi) 'Lb' shall be co-efficient for labour component in the Ex-Works Component of the supply Price which shall be considered as 0.3.

(vii) 'L' shall be consumer price index for industrial workers as published by RBI in RBI Bulletin, S.N. 1, Base year 2016=100 (Extract of website is pasted below for reference).

(viii) For the indices,

Subscript '0' refers to indices of the Base Month and shall be as per note (1) below.

Subscript '1' refers to indices of the month before the month in which delivery is made. The latest available indices are to be extrapolated to the above defined month w.r.t the base month.

Source link of RBI bulletin: https://rbi.org.in/Scripts/BS_ViewBulletin.aspx?Id=20964

Note:

- 1) Prices shall remain firm till completion schedule as defined in LOA/s. Price adjustment as defined above, shall be applicable only beyond completion schedule as per LOA. Price adjustment shall be payable to vendor only if the delay is not attributable to the vendor. However, if the delay is attributable to vendor then the negative price adjustment (if applicable) shall be passed on to BHEL.
- 2) The price adjustment shall be limited to (+) 10% of Ex-Works Supply Price including commissioning spares, Mandatory spares.