

PROPOSED PVC OF COMMUTATOR BARS / SEGMENTS FOR ALL FUTURE ENQUIRIES

For the purpose of evaluations of tenders, HCL copper cathode (full) basic price for the calendar month of techno-commercial bid opening i.e. Rs. **C / Kg**, and 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.

HCL copper cathode (full) basic price for the month of either P.O. delivery schedule or actual delivery, whichever is lower, (**C1/Kg**) and 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.

FOR ILLUSTRATION PURPOSE:

C Base price of Copper = Rs. _____ /Kg {For Month}

S Base price of Silver = Rs. _____ /Kg {For Month}

(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>)

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 Doller 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


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Drawing weight of the item (TM-4303) in Drg No 3439280001 is 0.315 Kg

Average silver content of the Commutator Bar / Segment as per spec. BP12075 is (0.20%)

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)	$EC = (C1 - C) \times CW$
5	PVC effect with respect to silver (ES)	$ES = (S1 - S) \times CW \times SW\%$
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 S1/kg will be considered on 1st working day of the calendar month one month earlier to the Actual delivery executed.



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