

Bulk Procurement of Pipes

Price Variation Formula – MS Welded Pipes

PVC-MSWP

Annexure-CC

$$PO = PA \times \left(\left[0.65 \times \frac{SO}{SA} \right] + \left[0.20 \times \frac{LO}{LA} \right] + 0.15 \right)$$

PO	Price payable to Vendor, as adjusted in accordance with above Price Variation Formula
PA	Original Framework Agreement Price

Escalation for Raw Material:

SA	Latest available Wholesale Price Index for “HR Steel Plates” as on the date of Part-1 bid opening of Framework Agreement Tender
SO	Latest available Wholesale Price Index for “HR Steel Plates” as on the date of respective Project PO Placement
As published under the Index “ e. Mild Steel - Flat products ” by Office of the Economic Adviser, Ministry of Commerce and Industry, Govt of India, on their website www.eaindustry.nic.in	

Escalation for Labour:

LA	Latest available All India Average Consumer Price Index as on the date of Part-1 bid opening of Framework Agreement Tender
LO	Latest available All India Average Consumer Price Index as on date of respective Project PO Placement
All-India Average Consumer Price Index Numbers for Industrial Workers (Base 2001=100) as published by Labour Bureau, Ministry of Labour and Employment, Govt of India, on their website www.labourbureau.gov.in	

Overheads and Margin:

0.15	Constant for Overheads and Margin
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