

Cir. No.: 117/DIV/CAB/05

11th December 2017

To Cable Division and Utilities/SEBS, listed of purchasing organisations

**Sub: Revision in the Price Variation Clause of Power and Control with XLPE Factors –
Recommendation for arriving at Price Variation for Pending Contracts**

Further to our Cir. No. 111/DIV/CAB/05 dated 5th December 2017 wherein we have enclosed Revised PV clauses for Power and Control Cables with XLPE insulation with effect from 1st November 2017; we wish to clarify as under.

We have recommended to incorporate the revised PV clause for all the new contracts starting from 1st December 2017.

Also, for the pending contracts having old version of IEEMA PV clause used in the contract for price variation calculation, ONLY for supply of 'LV & HV XLPE insulated Power and Control Cables' i.e. PV formulae No. D to H; we recommend following two stage institutionalized methodology to arrive at Final Price Variation.

1. Calculate 'P' using original 'P₀' from your Date of tendering/Base date to November 2017 (considering prices of November 2017 at numerator) using per old IEEMA PV clause of Cable effective from 1st January 2007
2. Treat the above calculated 'P' as 'P₀' and calculate Final 'P' from November 2017 (Considering prices of November 2017 at denominator) up to Date of Delivery using revised PV clause of Cable effective from 1st November 2017



Senior Director