

Ref. No. 91/DIV/CAB/05

9th October 2019

All Members of Cable Division & All SEBs, Utilities & Listed Purchasing organisations

Sub: i) Revision in Price Variation Formulae for Medium Voltage Power Cables
ii) New Price Variation Formula for 6 Quad Railway signalling Cables as per RDSO specs

IEEMA was working on inclusion of Metallic screen factors of copper tape applicable for the MV Power Cables and on specific request from Railways, IEEMA was also working on evolution of factors and formula for 6 Quad Railway Signalling Cables as per RDSO specifications.

IEEMA has been discussing internally on evolution of standards weight factors of metals and polymers applicable for EHV Cables for various standard rating and for specific short circuit test requirements.

After compilation of all inputs of factors from major manufacturers, the revised Price Variation Formulae for EHV Cables, MV Power Cables including metallic screen factor (Cu tape) have been prepared. Similarly a new PV formula for 6 Quad Railway signalling cables as per RDSO specification has also been prepared. The same in the draft form were circulated vide cir. No. 73/DIV/CAB/05 dated 23rd August 2019 for your reviews.

Since there are no adverse comments received; we are making these formulae operational from 1st September 2019. We request and recommend all the users & stakeholders including Utilities, PSUs etc. to incorporate these PV formulae in all the new tenders/contracts.

For pending contracts of EHV Cables and MV Power Cables, the date of delivery on or after 1st September 2019, to arrive at the final price variation, we recommend using the following two stage method, which is a standard institutionalized methodology adopted by IEEMA for change over in all IEEMA PV clauses.

1. Calculate price variation 'P' from applicable prices/indices from your base date / date of tendering up to September 2019 i.e. considering all prices/indices published in PV circular of September 2019 at numerator place; using IEEMA PV clause effective from 1st November 2017.
2. Treat the above calculated 'P' as 'P₀' and calculate final price variation considering all prices / indices published in September 2019 as base prices/indices (at the denominator place) up to the applicable prices/indices as per your date of delivery; using revised PV clause of MV Power Cable effective from 1st September 2019.



Director

Encl: Revised PV Formulae for EHV Cables, Medium Voltage Power Cables
New PV Formula for 6 Quad Railway signaling Cables as per RDSO specs

IEEMA (PVC)/QUAD CABLE/2019**Effective from: 1st September 2019****Material Price Variation Clause for 6 Quad Railway Signaling Cables as per RDSO specification**

The Price quoted/confirmed is based on the input cost of raw materials/components as on the date of quotation, and the same is deemed to be related to the prices of raw materials as specified in the price variation clause given below. In case of any variation in these prices, the price payable shall be subject to adjustment up or down in accordance with the formulae provided in this document.

Terms used in price variation formulae:

$$P = P_o + 0.135 (AL-Alo) + 0.139 (Cu - Cuo) + 0.515 (Cc - Cco) + 0.693 (FE- Feo)$$

P Price payable as adjusted in accordance with above appropriate formula **(in Rs/Km)**

P_o Ex-Works/CIF Price quoted/confirmed **(in Rs/Km)**

ALUMINIUM (Conductor)

Al Price of Aluminum. This price is as applicable on one month prior to the date of delivery.

Alo Price of Aluminum. This price is as applicable on One month prior to the date of tendering.

COPPER (Conductor)

Cu Price of CC Copper rods. This price is as applicable on one month prior to the date of delivery.

Cuo Price of CC copper rods. This price is as applicable on one month prior to the date of tendering.

POLYMER (PVC + PE)

Cc price of XLPE compound. This price is as applicable one month prior to the date of delivery.

Cco Price of XLPE compound. This price is as applicable one month prior to the date of tendering.

STEEL

Feo Price of Steel Tape. This price is as applicable one month prior to the date of delivery.

Feo Price of steel Tape. This price is as applicable one month prior to the date of tendering.

The above prices and indices are as published by IEEMA vide Circular reference IEEMA(PVC)/CABLE(R-1)/-/-/- prevailing as on 1st working day of the month i.e. one month prior to the date of tendering.

The date of delivery is the date on which the cable is notified as being ready for inspection/dispatch (in the absence of such notification, the date of manufacturer's dispatch note is to be considered as the date of delivery) or the contracted delivery date (including any agreed extension thereto), whichever is earlier.

Notes: All prices of raw materials are exclusive of GST amount. The details of prices are as under:

1. Price of Aluminium is LME average Cash SELLER Settlement price of Primary Aluminium in US\$ per MT as published by London Metal Bulletin (LME) including Premium for Aluminium Ingot in US\$ per MT is converted in Indian Rs./MT.
2. Price of CC copper rods (in Rs/MT) is ex-works price as quoted by the primary producer.
3. Price of XLPE Compound (in Rs/MT) is the ex-works price, as quoted by the supplier/s
4. Price of galvanized steel tape (in Rs/MT) is ex-works price as quoted by the manufacturer for representative select sizes.

Authorised Signatory



HEAD OFFICE - DELHI

Rishyamook Building, First Floor, 85 A, Panchkuian Road, New Delhi 110001

P +91 11 2336 3013 / 14 • F +91 11 2336 3015 • E delhi@ieema.org • W www.ieema.org