



Indian Electrical & Electronics Manufacturer's Association
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Cir. No. 151/PVC/RM/05

29th Apr 2026

To Members of Rotating Machines Division, SEBs and other listed purchasing bodies

Sub: Evolution of new PV formula for MP-CP coils

In the recent period, extreme volatility is observed in raw material prices for eg. copper, silver prices. Manufacturers of MP-CP coils raised their concern and requested IEEMA to evolve a separate price variation formula for MP-CP coils, which is an integral and critical component of DC Traction Motors. Indian Railways procures MP-CP Coils to meet their spares and replacement requirements.

In consultation and after due deliberations with IEEMA Rotating Machines division members and MP-CP coils manufacturers, IEEMA decide to evolve the PV formula for MP-CP coils.

IEEMA collected the costing data in devised format and finalised the costing data at the raw material level in consensus with members and prepared the draft formula. IEEMA had circulated the draft formula vide **Cir. No. 145/PVC/RM/05 dated 08th Apr 2026** to all stakeholders for their review and comments.

Since there are no adverse comments received; we are making it operational from 1st April 2026; enclosed PV formula applicable for '**MP-CP Coils**'.

We request and recommend all the users & stakeholders including Utilities, PSUs etc. to incorporate this new PV formula in all the new tenders/contracts henceforth.

Senior Director

IEEMA/PVC/MP-CP Coils/2026

Effective from: 1st Apr 2026

PRICE VARIATION CLAUSE FOR MP-CP COILS

The price quoted/confirmed is based on the cost of raw materials/components, the wholesale price index numbers and labour cost as on the date of quotation and the same is deemed to be related to prices of raw materials, index numbers for wholesale prices and all India average consumer price index number for industrial workers as specified in the price variation clause given below. In case of any variation in these prices and Index numbers, the price payable shall be subject to adjustment up or down in accordance with the following formula:

MP-CP Coils

$$P = \frac{P_0}{100} \left(10 + 58 \frac{C}{C_0} + 8 \frac{S}{S_0} + 9 \frac{IM}{IM_0} + 6 \frac{AG}{AG_0} + 9 \frac{W}{W_0} \right)$$

Wherein,

- P = Price payable as adjusted in accordance with the above formula.
P₀ = Price quoted/confirmed.
C₀ = Average LME settlement price of copper wire bars (refer notes)
This price is as applicable for the month, **TWO** months prior to the date of tendering.
S₀ = Price of electrical steel sheets (refer notes).
This price is as applicable for the month, **ONE** month prior to the date of tendering.
IM₀ = Price of Insulating Materials (refer notes)
This price is as applicable for the month, **ONE** month prior to the date of tendering.
AG₀ = Price of Silver (refer notes)
This index number is as applicable for the month, **ONE** month prior to the date of tendering.
W₀ = All India average consumer price index number for industrial workers, as published by the Labour Bureau, Ministry of Labour, Govt. of India (Base: 2016 = 100)
This index number is as applicable for the month, **FOUR** months prior to the date of tendering.

For example, if the date of tendering falls in May 2026, the applicable price of Copper (C₀) should be for the month of March 2026, price of electrical steel sheets (S₀), Insulating Material (IM₀) and Silver (AG₀) should be for the month April 2026 and all India average consumer price index number (W₀) should be for the month of January 2026 i.e applicable IEEMA price variation circular should be of the month April 2026.

The above prices and indices are as published by IEEMA vide circular reference number IEEMA(PVC)/RM (R-2)/_/ _ **ONE** month prior to the date of tendering.

- C = Average LME settlement price of copper wire bars (refer notes)
This price is as applicable for the month, **THREE** months prior to the date of delivery.



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IEEMA/PVC/MP-CP Coils/2026

Effective from: 1st Apr 2026

- S = Price of electrical steel sheets (refer notes).
 This price is as applicable for the month, **TWO** months prior to the date of delivery.
- IM = Price of Insulating Materials (refer notes)
 This price is as applicable for the month, **TWO** months prior to the date of delivery.
- AG = Price of Silver (refer notes)
 This index number is as applicable for the month, **TWO** months prior to the date of delivery.
- W = All India average consumer price index number for industrial workers, as published by the Labour Bureau, Ministry of Labour, Govt. of India (Base: 2016 = 100)
 This index number is as applicable for the month, **FIVE** months prior to the date of delivery.

For example, if the date of delivery falls in December 2026, the applicable price of Copper (C) should be for the month of September 2026, price of electrical steel sheets (S), Insulating Materials (IM) and Silver (AG) should be for the month October 2026 and all India average consumer price index number (W) should be for the month of July 2026 i.e. applicable IEEMA price variation circular should be of the month October 2026.

The above prices and indices are as published by IEEMA vide circular reference number IEEMA(PVC)/RM (R-2)/_/ _ **TWO** months prior to the date of delivery.

The "date of delivery" is the date on which the MP-CP Coils is notified as being ready for inspection/despatch. (In the absence of such notification the date of manufacturer's despatch note is to be considered as the date of delivery) or the contracted delivery date (including any agreed extension thereto), whichever is earlier.

Notes:

- (a) All prices are exclusive of GST amount and exclusive of any other central, state or local taxes etc.
- (b) The details of prices are as under:
 1. The LME price of Copper Wire Bars (in Rs./MT) is the LME average settlement price of copper converted into Indian Rupees with applicable average exchange rate of SBI of the month. This price is the landed cost, inclusive of applicable customs duty only but exclusive of countervailing duty.
 2. Price of electrical steel sheets is calculated based on stamping prices
 3. Price of Silver in Rs./Kg is the average for the month as published by IBJA.
 4. Insulating Materials, the price of Epoxy resin is price in Rs./Kg quoted by resin manufacturer for their nearest equivalent grade of **Epoxy Resins for DC Traction Machines**

Authorised Signatory

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