



Indian Electrical & Electronics Manufacturer's Association
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Cir. No. 11/PVC/T & D Project/05

25 May 2022

To Members of T & D Project Division, SEBs and other listed purchasing bodies.

Sub: New PV formulae for Ungalvanized / Black Steel Structure

Recently there were requests from stakeholders for the PV formula for **Ungalvanized / Black Steel Structures** wherein Zinc is not used and there is difference in the cost component for steel and labour than the Transmission Line Towers.

In T & D Project division the members decided to evolve the PV formula for **Ungalvanized / Black Steel Structures**, IEEMA collected the costing data and draft formula circulated to all stakeholder vide circular no. **03/PVC/T & D Project/05 dated 28th Apr 22** for their comments.

After incorporating changes suggested by the industry stakeholders on the **Ungalvanized / Black Steel Structures** PV formulae; we are making the Price Variation formula operational from 1st April 2022.

We have enclosed PV clause applicable **Ungalvanized / Black Steel Structures** which is effective from 1st April 2022.

Although, the PV clause is made effective from 1st April 2022, practically it can be incorporated in all the current new tenders/contracts starting from 1st May 2022.

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

Director

IEEMA/PVC/UG BLACK TLT/2022

Effective from: 01 April 2022

Price variation clause for Ungalvanized / Black Transmission Line Tower, Tower Parts, Substation Structure's up to 33 KV covering following items

- (A) 33 KV cross arm (angle) with clamp and top hamper
- (B) 11 KV cross arm (angle) with clamp and top hamper
- (C) 11 & 33 KV top hamper with clamp
- (D) LT cross arm (1200 mm) with clamp
- (E) LT cross arm (600 mm) with clamp
- (F) Sub-station structure for mounting of 11/0.4 KV transformers on double pole
- (G) 11 & 33 KV line dp
- (H) 1.4 meter long MS channel bracket with clamp
- (I) 33 KV lattice tower 36 and 42 feet
- (J) any other steel fabricated item to be used up to 33 KV Distribution system

The price quoted/confirmed is based on the input cost of raw materials/components and labour cost as on the date of quotation and the same is deemed to be related to prices of raw materials 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:

$$P = \frac{P_0}{100} \left(10 + 85 \frac{SBIR}{SBIR_0} + 05 \frac{W}{W_0} \right)$$

Wherein,

P = Price payable as adjusted in accordance with the above formula.

P₀ = Price quoted/confirmed.

SBIR₀ = Price of Steel Billets- Retail (refer notes)
This price is as applicable for of 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) (Refer notes)
This index number is as applicable for the month, **THREE** months prior to the date of tendering.

For example, if date of tendering falls in December 2022, the applicable prices of Steel Billets-Retail (SBIR₀) should be for the month November 2022 and all India average consumer price index number (W₀) should be for the month of September 2022

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The above prices and indices are as published by IEEMA vide circular reference number IEEMA (PVC)/TLT-2014 (R-1)/_/ _ **ONE** month prior to the date of tendering.

SBIR = Price of Steel Billets-Retail (refer notes)
 This price is as applicable for the month, **ONE** month 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) (refer notes)
 This index number is as applicable for the month, **THREE** month prior to the date of delivery.

For example, if date of delivery falls in December 2022, the applicable prices of Steel Billets-Retail (SBIR₀) should be for the month November 2022 and all India average consumer price index number (W₀) should be for the month of September 2022

The date of delivery is the date on which ungalvanized Black Steel Structures are 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:

- A. All prices of raw materials are exclusive of GST and any other central, state or local taxes etc.
- B. The prices of Steel Billet-Retail are the average Retail price of Billets of size 100 mm of all cities in Rs/MT; as published by Joint Plant Committee (JPC), Kolkata.

Authorized Signatory

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