

57

*Dia 2.50 mm & 3.15 mm electrodes are drawn from raw material core wire of dia 4.0 mm dia, 4.0 mm & 5.0 mm electrodes are drawn from raw material core wire of dia 6.0 mm. For PVC calculation (P0-Raw material cost/Rate at the time of tender (price bid) opening date) steel wire of 6.0 mm dia is taken as representative size.

***PVC clause applicable only for Non-SS Electrodes**

SAMPLE CALCULATION

PVC formula for electrodes = $X1 = X0 [1 + 0.5 (P1-P0)/P0]$

X0 = price of finished product at the time offer (rate/thousands or rate/kg)
Rs.1200.00/thousands.

P0 = Raw material cost/Rate at the time of tender (Price Bid) opening Date [Rate of steel wire of *6mm dia (Rs/metric ton) from JPC web site on 07-03-08 = Rs.35875.00/Ton

P1 = Raw material cost applicable as on four weeks prior to dispatch from JPC (Date of dispatch assumed as 27.05.08) ie 26.04.08 (nearest JPC date 02.05.08) Rs.43950.00/Ton

X1 = Revised price of finished product with price variation clause (rate/thousands or rate/kg) = $1200 [1+0.5 (43950-35875)/35875] = Rs.1335.05$