

PRICE VARIATION FORMULA:

Annexure - C

The increase/ decrease in the price of items quoted for material and wage escalation would be governed by the following:-

$$P_1 = (P_0 / 100) \times [20 + (46 \times C_1 / C_0) + (14 \times I_1 / I_0) + (10 \times L_1 / L_0) + (10 \times F_1 / F_0)]$$

Where,

P ₁	Escalated/de-escalated basic unit rate
P ₀	Accepted basic Unit Rate
C ₁	Average Monthly price of Natural rubber (RSS-4) as circulated by Indian Rubber Board as prevalent during the month just preceding the month of call of inspection of finished goods by the agency.
C ₀	Average Monthly price of Natural rubber (RSS-4) as circulated by Indian Rubber Board as prevalent during the base month ,two month before the tender opening month.
I ₁	Wholesale price Index for " Manufacture of Basic Chemicals " prevalent during the month just preceding the month of inspection as per Economic advisor, Ministry of Industries Website (http://eaindustry.nic.in) as per series 2011-12
I ₀	Wholesale price Index for " Manufacture of Basic Chemicals " prevalent during the base month, two months before the tender opening month ,as per Economic advisor, Ministry of Industries Website (http://eaindustry.nic.in) as per series 2011-12
L ₁	All India Consumer Price Index for " Industrial Workers " as published by Labour Bureau, Ministry of Labour on their Website (http://labourbureau.nic.in) prevalent during the month just preceding the month of issue of call letter for inspection.
L ₀	All India Consumer Price Index for " Industrial Workers " as published by Labour Bureau, Ministry of Labour on their Website (http://labourbureau.nic.in) base month for the PVC formula shall be taken as the month, two months before the tender opening month.
F ₁	Wholesale Price Index (Base year 2011-12) for " Fuel &Power " as published by Economic advisor, Ministry of Industry on their Website (http://eaindustry.nic.in) prevalent during the month just preceding the month of issue of call letter for inspection.
F ₀	Wholesale Price Index (Base year 2011-12) for " Fuel &Power " as published by Economic advisor, Ministry of Industry on their Website (http://eaindustry.nic.in) base month for the PVC formula shall be taken as the month , two months before the tender opening month.