

PRICE VARIATION CLAUSE

$$PT = PP + PR$$

PT = Total escalated / de-escalated basic unit rate of the component.

PP = Escalated/de-escalated basic unit rate of the component **without** Rail.

PR = Escalated/de-escalated basic unit rate of the Rail.

PP = Will be worked out as per earlier formula on the component, **without** cost of Rail. (On the basis of cost of Rail published in the tender document R0)

A) The PVC formula for the component (without Rails):

$$PP = [(P0/100) \times \{10 + (16.32 \times A1/A0) + (7.70 \times B1/B0) + (15.02 \times C1/C0) + (0.96 \times D1/D0) + (50 \times L1/L0)\}]$$

PP = Escalated / de-escalated basic unit rate of the component **without** Rail.

P0 = Accepted Basic rate of the component after deducting cost of Rail on the basis of Theoretical Quantity (TQ) and rate of Rails (R0) published in the Tender document based on Railway Board rates.

= Accepted Basic rate of the component – TQ x R0

A1 = Wholesale Price Index for “**Inputs in to steel making**” as prevalent during one month prior to the month of issue of call letter for inspection as per Economic Advisor, Ministry of Industry website:<http://eaindstry.nic.in> as per series 2011-12.

A0 = Wholesale Price Index for “**Inputs in to steel making**” as prevalent during the month just preceding the month in which tender was opened, as per Economic Advisor, Ministry of Industry website:<http://eaindstry.nic.in> as per series 2011-12.

B1 = Wholesale Price Index for “**Metallic Iron**” as prevalent during one month prior to the month of issue of Call letter for inspection as per Economic Advisor, Ministry of Industry website:<http://eaindstry.nic.in> as per series 2011-12.

B0 = Wholesale Price Index for “**Metallic Iron**” as prevalent during the month just preceding the month in which tender was opened, as per Economic Advisor, Ministry of Industry website:<http://eaindstry.nic.in> as per series 2011-12.

C1 = Wholesale Price Index for “**Mild steel- Semi Finished Steel**” as prevalent during one month prior to the month of issue of call letter for inspection as per Economic Advisor, Ministry of Industry website:<http://eaindstry.nic.in> as per series 2011-12.

C0 = Wholesale Price Index for “**Mild steel- Semi Finished Steel**” as prevalent during the month just preceding the month in which tender was opened, as per Economic Advisor, Ministry of Industry website:<http://eaindstry.nic.in> as per series 2011-12.

D1 = Wholesale Price Index for “**Other Ferro alloys**” as prevalent during one month prior to the month of issue of call letter for inspection as per Economic Advisor, Ministry of Industry website:<http://eaindstry.nic.in> as per series 2011-12.

D0 = Wholesale Price Index for “**Other Ferro alloys**” as prevalent during the month just preceding the month in which tender was opened, as per Economic Advisor, Ministry of Industry website:<http://eaindstry.nic.in> as per series 2011-12.

L1 = All India consumer Price Index for Industrial workers as prevalent during one month prior to the month of issue of call letter for inspection as per Labour Bureau, Ministry of Labour website: <http://labourbureau.nic.in>.

L0 = All India consumer Price Index for Industrial workers as prevalent during the month just preceding the month in which tender was opened, as per Labour Bureau, Ministry of Labour website: <http://labourbureau.nic.in>.

B) PR will be worked out on the cost of rail, involved for the component, which will be as:

$$PR = R0 \times TQ \times M1/M0$$

PR = Escalated / de-escalated basic unit rate of rails.

R0 = Basic rate of Rails published in the tender document based in Railway Board rates.

M0 = Wholesale Price Index for **Rails** as prevalent during the month just preceding the month in which tender was opened, as per Economic Advisor, Ministry of Industry website <http://eaindustry.nic.in> as per series 2011-12.

M1 = Wholesale Price Index for **Rails** as prevalent during one month prior to the month of issue of Call letter for inspection as per Economic Advisor, Ministry of Industry website <http://eaindustry.nic.in> as per series 2011-12.

TQ = Theoretical quantity of rails required in the component in MT.

Competent authority is required to publish, basic rate of Rail i.e. R0 based on Railway Board rates and Theoretical Quantity (TQ) consumed for each component in the tender document.

Theoretical quantity (TQ) = Theoretical quantity of rails required in the component for 1 set of F.S. Switches 1 in 8.5, 60Kg. (T- 4966) in MT is **3.495793** MT & F.S. Switches 1 in 12, 60Kg. (T- 4219) in MT is **3.5748** MT.

R0 = Provisional price of 60kg and 52kg (Gr R260, 880) rails as Rs. 74,000/- Per MT (Rupees Seventy Four Thousand only) (Ex. Works), excluding Taxes and freight etc. as per Rly. Bd. Letter no. 2023/Track-I(P)/Rail Pricing, Dt. 12.08.2025.