

सं/No. 2022/Track-I(P)/Fabricators

दिनांक/Date: 28.04.2022

Principal Chief Engineer(s), Chief Administrative Officers (Con.),
All Zonal Railways.

CORRIGENDUM TO Board's letter of even number dated 20.04.2022

विषय/Sub: PVC Formula for Rails in New Contracts for SEJ, Glued Joints, Ordinary Switch, Thick Web Switch, WCMSCs.

संदर्भ/Ref:- 1. Board's letter of even number dt. 24.01.2022.
2. Board's letter of even number dt. 20.04.2022.

It was decided, vide Board's letter under Ref.-1, that, all **new contracts** for SEJ, Glued Joints, Ordinary Switch, Thick Web Switch and WCMSCs should be called with responsibility of procurement/purchase of rails (passed by IR's inspected agency) by the firm. The manufacturers will be free to purchase passed & approved rails directly from the Manufacturer against PO on commercial terms.

Hence, all such new contracts will contain prices for rails also. However, some ZRs have pointed out that, as no PVC formula for the component "rails" exists, at present, the same will create complications in the upcoming tenders. All such representations have been examined in Board's office.

In the above context it is clarified that, PVC formula for tenders involving Track component as mentioned in the subject above having elements of contractor's Rail, will be paid in two parts:-

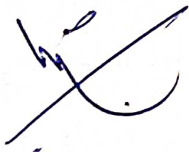
$$P_T = P_p + P_R$$

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

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

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

P_p = 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 R_0)

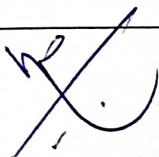


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PVC Formula for the component (without Rails)

$$P_p = [(P_0/100) \times \{10 + \{16.32 \times (A_1/A_0) + 7.70 \times (B_1/B_0) + 15.02 \times (C_1/C_0) + 0.96 \times (D_1/D_0) + 50 \times (L_1/L_0)\}\}]$$

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 into 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://eaindustry.nic.in as per series 2011-12.
A0	Wholesale Price Index for "Inputs into 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://eaindustry.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://eaindustry.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://eaindustry.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://eaindustry.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://eaindustry.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://eaindustry.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://eaindustry.nic.in as per series 2011-12.



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L1	All India Consumer Price Index for Industrial workers as prevalent during one month prior to month of issue of Call letter for inspection as per Labour Bureau, Ministry of Labour web site 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 web site http://Labourbureau.nic.in

P_R . Will be worked out on the cost of rail, involved for the component, which will be as:-

PVC Formula for the component - Rails:


$$P_R = R_0 \times TQ \times M_1/M_0$$

P _R	Escalated/de-escalated basic unit rate of rails.
R ₀	Basic rate of Rails published in the tender document based on Railway board rates.
M ₀	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
M ₁	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.

This issues with the concurrence of Associate Finance of Railway Board and with the approval of AM/CE, Railway Board.



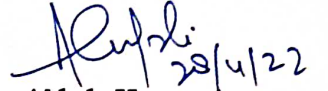

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प्रतिलिपि/Copy to:-

1. CTEs/ All Indian Railways.
3. DG/RDSO, PED/Track, RDSO.
4. Chairman, SAIL, Ispat Bhawan, Lodi Road, New Delhi.
5. CEO, Bhilai Steel Plant, SAIL, Bhilai.
6. CMD, M/s JSPL, Jindal Centre, Plot No.2, Sector-32, Gurgaon-122001.



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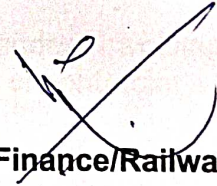
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प्रतिलिपि/Copy to:

1. The Principal Finance Advise (PFA), all Zonal Railways.
2. FA&CAO/Cons., All Zonal Railways.
3. Dy. Comptroller & Auditor/General of Indian (Railways), Room No.224, Rail Bhawan, New Delhi.
4. DDF(S)-II and FS(II) Branch, Railway Board, New Delhi.



For Member Finance/Railway Board