



**MANGALORE REFINERY & PETROCHEMICALS LTD.**  
(A subsidiary of Oil & Natural Gas Corpn. Ltd – ONGC)  
Read. Office: Kuthethoor P.O.. Via: Katiballa. Mangalore-575030



**Addendum - 3**

**To**

**MRPL Tender No. 9680000M1B dated 11.03.2022**

**DESIGN, SUPPLY, INSTALLATION, TESTING & COMMISSIONING OF LPG AMINE CONTACTOR FOR  
LPG AMINE ABSORBER SYSTEM IN PFCC UNIT AT MRPL, MANGALURU, KARNATAKA**

With reference to the above tender, bidders are requested to note the following:

The items, conditions, specification and stipulations of the Bidding Documents stand modified to the extent indicated in Annexure -1 - Commercial Addendum.

The implications of the same, elsewhere in the tender document shall be taken care of appropriately by the bidders. All other terms and conditions, stipulations and specifications of tender shall remain unaltered.

**Bidders shall submit copy of this Addendum-3 including its Annexure-1 with the techno-commercial bid, duly signed and stamped, as a token of having read and understood the same.**

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### Annexure-1: Commercial Addendum

Sl. No.	Section No. / Clause No.	The Clause/Description stands Modified as below
1	Addendum-1, sr. No.4, Steel Price variation Clause	<ul style="list-style-type: none"><li data-bbox="699 501 1225 528">• Refer attached steel price variation clause sheet.</li></ul>

The terms, conditions and specifications of Bidding Document stand modified to the extent indicated under column “MODIFICATIONS/ ADDITIONS/ DELETIONS”. All other terms & conditions, stipulations, specifications etc. of Bidding Document including Amendments, if any, issued earlier shall remain unaltered.

Sl. No.	Part of Bidding Document	Document Reference	Clause / Item No.	Subject	Modifications/Additions/Deletions
1.	Commercial Part	SPECIAL CONDITIONS OF CONTRACT (SCC)	New Clause (20.1)	ESCALATION ON SUPPLY OF ITEMS IN ITEM RATE TENDERS	<p>20.1.1) The price variation shall be applicable on supply price for structural steel (SOR items mentioned in Table-1 of Appendix-I to CA). The contract price shall be adjusted for any increase /decrease on account of these as per Annexure-XIX to SCC (Attached as Appendix-I of this Commercial Amendment). Following provisions for steel variation shall apply:</p> <p>a) Upward price variation will be payable for entire approved extended completion period (*) considering the applicable indices as per the approved formula. Accordingly, in case of delay by the Sub-contractor beyond contractual delivery date for reasons attributable to Subcontractor, no upward variation shall be payable.</p> <p>However, downward / negative price variation shall be applicable for the actual completion period.</p> <p>(*) Approved extended completion period shall mean the justified extension in completion period which is without any levy of penalty / LD / PRS.</p> <p>For example: If CDD is May and the actual completion date is December out of which extension upto October is not attributable to the Sub-contractor, the upward price variation shall be payable only till October. However, downward price variation shall be applicable till December.</p> <p>b) For the purpose of PRS / Liquidated Damages, the contract value shall be considering inclusive of price variation on account of steel price variation.</p> <p>c) Even if there is no price adjustment claim, Sub-contractor shall submit all relevant data to prove that there is no downward variation.</p> <p>d) Old materials (i.e., having corresponding WPI older than WPI for base price mentioned in the bidding document) shall not qualify for adjustment.</p> <p>e) Formula shall be applied whenever the main item is operated for the first time (full or</p>

Sl. No.	Part of Bidding Document	Document Reference	Clause / Item No.	Subject	Modifications/Additions/Deletions
					<p>part), and price adjustments immediately effected.</p> <p>f) Price variation for material shall be applicable for measured and certified quantity only.</p> <p>g) Adjustment Bill to be raised after every publication of firm WPI for the corresponding period.</p> <p>h) Steel escalation formula shall be implemented only when price increase due to variation is more than +2%. However, for any decrease, formula will be applicable.</p> <p>20.1.2) SOR item nos. of tender on which price variation on steel is applicable shall be as per Table 1 of Annexure-XIX to SCC.</p> <p>20.1.3) The Price variation shall not be applicable for any items other than those mentioned in Table 1 of Annexure-XIX to SCC.</p>

**(Appendix –I to Commercial Amendment)**

# **PRICE VARIATION FORMULA**

## **[ANNEXURE - XIX TO SPECIAL CONDITIONS OF CONTRACT]**

**PRICE VARIATION FORMULA FOR STEEL**

1. The Contract Price shall be adjusted for any increase/decrease on account of variation in steel prices as per the formula below:

$$V = P \times Q \times \frac{M - M_0}{M_0}$$

Where,

V = Total Variation in material (steel) cost i.e. increase or decrease in the amount (in Rupees) to be paid or recovered.

P = Base Price (excluding taxes and duties) of Steel is as per **TABLE 1** below

**TABLE 1**

Sr No	Item No	Base rates/price, Rs/MT (Ex-Works)	Relevant WPI
1	01CS.2.23.8	49,500	Mild steel: long products
2	01CS.4.3.5	49,800	Mild steel: long products
3	01CS.4.3.6	49,800	Mild steel: long products
4	01CS.4.3.15	49,800	Mild steel: long products
5	01CS.4.3.16	49,800	Mild steel: long products
6	01CS.5.7.5	65,000	Mild steel: Flat Products
7	01CS.6.15.1	65,000	Mild Steel - Flat Products
8	01CS.6.16.1	49,800	Mild Steel - long products
9	01CS.6.19.6	49,500	Mild steel: long products

Q = Qty. of steel measured (part or full)

M<sub>0</sub> = Price Index for steel reinforcement bars, structural steel shall be the All India Wholesale Monthly Price Index **for MILD STEEL: LONG PRODUCTS / MILD STEEL: FLAT PRODUCTS** released by Office of Economic Advisor to Government of India, Department of Industrial Policy and Promotion (DIPP), Ministry of Commerce and Industry corresponding to the period of the base price (,i.e., during the **month of Jan 2022**)

M = Price Index for steel reinforcement bars, structural steel shall be the All India Wholesale Monthly Price Index **for MILD STEEL: LONG PRODUCTS / MILD STEEL: FLAT PRODUCTS** released by Office of Economic Advisor to Government of India, Department of Industrial Policy and Promotion (DIPP), Ministry of Commerce and Industry on sub-order date for the purchase of steel under the contract by the contractor.

Bidder while submitting their offer will consider the base price of steel as given above (i.e., the value of P). The variation payable by Owner / EIL shall be based on the base price of steel (i.e., the value of P) as the reference point.