

FORMULA FOR CALCULATION OF PER KM CHARGES FOR THE SECOND YEAR OF CONTRACT

1. Price Variation Factor = $\{[\text{New Diesel Price Prevailing at Bangalore at the time of Contract Extension}] - [\text{Reference Diesel Price documented in first year contract}]\} \div [\text{Reference Diesel Price documented in first year contract}]$
2. New per km Charges for the Second Year of Contract = $[\text{Price Variation Factor}] \times [\text{per km Charges in first year contract}]$