

Punjab State Grains Procurement Corporation Ltd (PUNGRAIN)
Anaaj Bhawan, Sector 39, Chandigarh

The procedure for calculating Local content/value addition in Punjab for tenders being floated by Pungrain for procurement of LDPE/HDPE/PP products (As per Department of Chemicals & Petrochemicals, Ministry of Chemicals & Fertilizers, Govt. of India's order no. C.I-43012/52/2017-Chem-I(B) dated 23-10-2018) shall be as follows :-

COST COMPONENT	CALCULATION BY MANUFACTURER Cost per unit of product		
	Cost (Local/Punjab Component) (a)	Cost (Outside Punjab Component) (b)	Total Cost (In Rs.) (c=a+b)
I. Direct Material Cost			
II. Direct Labour Cost			
III. Factory Overhead			
IV. Total Production Cost			

$$\% \text{Local Content} = \frac{\text{Total Cost (IV c)} - \text{Total Outside Punjab Content Cost (IV b)}}{\text{Total Cost (IV c)}} \times 100$$