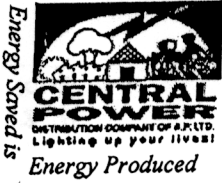


By Regd. Post with Ack. Due



CENTRAL POWER DISTRIBUTION COMPANY OF A.P LTD

From
Chief General Manager (P&MM),
APCPDCL, 4th floor, Corporate Office,
Mint Compound, Hyderabad - 500 004.
Fax : 040 - 2343 1034

To
M/s. Accurate Transformers Ltd.,
8, L.S.C, 2nd floor, Savita Vihar,
New Delhi - 110 092.
Ph No : 011-2616926, 2161927.
Fax No : 011 - 2149456

Lr.No. CGM/P&MM/E-32/PM-3428/D.No.3224/12,dt.29-08-2012.

Sir,

Sub:- CPDC of AP Ltd., - P&MM wing - Supply of Power Transformers against P.O. No. PM-3428/11, Dt.03-10-2011 - Supply of inferior quality power transformers - Cancellation of balance power transformers, levying of penalty - Reg.

- Ref:-
1. Tender Specification No. CECT-560/11.
 2. P.O.No. CGM/P&MM/E-32/CECT-560/11/PM-3428/11, Dt.03-10-2011.
 3. Lr.No.CGM/P&MM/E-32/CECT-560/11/PM-3428/D.No.576/12, Dt.03-05-2012.
 4. Lr.No.CGM/P&MM/E-32/CECT-560/11/PM-3428/D.No.776/12, Dt.11-05-2012.
 5. Lr.No.CGM/P&MM/E-32/CECT-560/11/PM-3428/D.No.1879/12, Dt.04-07-2012.

Orders were placed on you vide reference 1st cited above for supply of 5 MVA and 8 MVA Power Transformers as detailed below.

Sl. No.	P.O. No. & Date	Description	Qty. Ordered	Qty. Supplied	Guaranteed Losses
1.	PM-3428/11, Dt.03-10-2011	5 MVA Power Transformers	40 Nos.	33 Nos.	NLL : 3.6 KW LL : 19 Kw
2.		8 MVA Power Transformers	6 Nos.	4 Nos.	NLL : 5 KW (Max.) LL : 41.8 Kw (Max.)

It was stipulated in the tender specification and purchase order that the other manufacturers can challenge testing for any test based on specification and losses guaranteed. Based on that, M/s. Vijay Electricals Ltd., Hyderabad have challenged for testing of 5 MVA and 8 MVA Power Transformers supplied by you against the purchase order cited above.

Contd..2

3 Nos. 5 MVA Power Transformers bearing Sl. No. CECT-14, CECT-16 and CECT-25 and 1 No. 8 MVA Power Transformer bearing Sl. No. CECT-560/02 were sent for testing at CPRI, Bhopal and test results are as follows.

Table 1 : Losses measurement Test.

Sl. No.	Description	Guaranteed by M/s. Accurate Transformers Ltd.,	Losses as per CPRI report	Measured excess by	CPRI, Bhopal Report No. & Date
5 MVA Power Transformer (Sl.No. CECT-16)					
1	No load loss	3.6 Kw + IS Tolerance (i.e., 4.140 Kw max.)	5.786 Kw	1.65 Kw	2012/STL/777, Dt: 28-06-2012
2	Load loss at 75 Deg.C	19 Kw + IS Tolerance (i.e., 21.85 Kw max.)	37.008 Kw	15.16 Kw	
3	Total Loss at 75 Deg. C	22.60 Kw + IS Tolerance (i.e., 24.86 Kw max.)	42.794 Kw	17.93 Kw	
5 MVA Power Transformer (Sl.No. CECT-25)					
1	No load loss	3.6 Kw + IS Tolerance (i.e., 4.140 Kw max.)	6.536 Kw	2.40 Kw	2012/STL/776, Dt: 28-06-2012
2	Load loss at 75 Deg.C	19 Kw + IS Tolerance (i.e., 21.85 Kw max.)	37.179 Kw	15.33 Kw	
3	Total Loss at 75 Deg. C	22.60 Kw + IS Tolerance (i.e., 24.86 Kw max.)	43.715 Kw	18.85 Kw	
8 MVA Power Transformer (Sl.No. CECT-560/02)					
1	No load loss	5.0 Kw (max.)	9.417 Kw	4.42 Kw	2012/STL/796, Dt: 28-06-2012
2	Load loss	41.8 Kw (max.)	54.076 Kw	12.28 Kw	

Table 2 : Temperature Rise measurement Test.

Sl. No.	Description	Guaranteed by M/s. Accurate Transformers Ltd.,	Temp. rise as per CPRI report	Measured excess by	CPRI, Bhopal Report No. & Date
5 MVA Power Transformer (Sl.No. CECT-16)					
1	Temp. rise oil	40 °C	43.8 °C	3.8 °C	2012/STL/777, Dt: 28-06-2012
2	Temp. rise - HV wdg	50 °C	48.45 °C	-1.55 °C	
3	Temp. rise - LV wdg	50 °C	50.43 °C	0.43 °C	
5 MVA Power Transformer (Sl.No. CECT-25)					
1	Temp. rise oil	40 °C	47.5 °C	7.5 °C	2012/STL/776, Dt: 28-06-2012
2	Temp. rise - HV wdg	50 °C	53.35 °C	3.35 °C	
3	Temp. rise - LV wdg	50 °C	54.83 °C	4.83 °C	
8 MVA Power Transformer (Sl.No. CECT-560/02)					
1	Temp. rise oil	40 °C	50 °C	10 °C	2012/STL/796, Dt: 28-06-2012
2	Temp. rise - HV wdg	50 °C	54.50 °C	4.5 °C	
3	Temp. rise - LV wdg	50 °C	53.82 °C	3.82 °C	

CPRI Remarks :

- (1) Measurement of no load loss and load loss are beyond the limit as specified by M/s. Accurate Transformers Ltd., New Delhi with tolerances specified in the standard.
- (2) Measurement of temperature rise of winding / oil were beyond the limits as specified by M/s. Accurate Transformers Ltd., New Delhi.

CPRI Conclusion : The test results indicate that the sample tested i.e., 5 MVA PTR (Sl.No. CECT-16 and CECT-25) and 8 MVA PTR (Sl. No. CECT-560/02) do not comply with the requirements of clause 16.4, 16.5 of IS:2026 (Part-1), 1977 and clause no. 4.0 of 2026 (Part-2), 1977 and customer's requirement.

As per the CPRI test results, it is noticed that the no load and full load losses of 5 MVA and 8 MVA Power Transformers are much more than the guaranteed losses which resulted heavy losses to CPDCL.

In view of the above, CPDCL has decided

- (i) To cancel the Purchase Order cited in the reference 2nd for supply of balance 7 Nos. of 5 MVA Power Transformers (DI issued but you have not supplied) and 2 Nos. of 8 MVA Power Transformers.
- (ii) To bar your firm for participation of CPDCL tenders for further period of 3 years besides intimating your poor performance in execution of orders to other discoms.
- (iii) To adjust an available amounts of Rs. 2,46,97,226.00 which was withheld from your pending bills, towards penalty for excess losses.
- (iv) To encash the following Bank Guarantees available with us for a total amount of Rs.1,82,79,675.00

Sl. No.	P.O.No. & Date	B. G. No. & Date	B.G. Amount (Rs. Ps.)	Issuing Bank	BG Validity
1.	PM-2684/08, Dt.29-12-2008	BOM/0905/152/10/43428, dt.16-04-2010	12,00,000.00	Bank of Maharashtra, Delhi	16-06-2013
2.	PM-3148/10, Dt.23-08-2010	BOM/0905/224/10/44955, dt.28-10-2010	32,66,100.00	Bank of Maharashtra, Delhi	27-06-2014
3.	PM-3428/11, Dt.03-10-2011	7126IPEBG110005, Dt.29-12-2011	1,38,13,575.00	Bank of India, Noida	28-08-2015
Total BG's available			1,82,79,675.00		

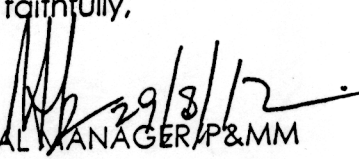
You are requested to remit the balance amount of Rs.1,49,34,024.00 towards loss capitalization regarding 5 MVA Power Transformers. Calculation details are annexed.

You are also requested to reimburse testing charges at actual along with other expenses to M/s. Vijai Electricals Ltd., Hyderabad regarding 5 MVA Power Transformers as per purchase order clause No.11.

Action will be initiated later regarding 8 MVA Power Transformers.

The receipt of the letter may please be acknowledged.

Yours faithfully,


CHIEF GENERAL MANAGER/P&MM

Copy submitted to:

The Director/P&MM and Finance/APCPDCL/Hyderabad.

Copy to:

The Chief General Manager/Finance/APCPDCL/Hyderabad : It is requested to take further necessary action.

The Pay Officer/APCPDCL/Hyderabad.

The Chief General Manager/Projects/APCPDCL/Hyderabad.

The Chief General Manager/Opn./APCPDCL/Hyderabad.

The Chief General Manager/Comml./APCPDCL/Hyderabad.

The Chief General Manager/P&O/APNPDCL

The Chief General Manager/P&MM/APEPDCL

The Chief General Manager/P&MM/APSPDCL

The Chief Engineer/Construction/ APTRANSCO/Vidyuth Soudha/Hyderabad