



Maharashtra State Electricity Distribution Co. Ltd.
[A Govt. of Maharashtra Undertaking]
CIN: U40109MH2005SGC153645



MAHARASHTRA STATE ELECTRICITY DISTRIBUTION CO. LTD.

Chief Engineer, Materials Management Department,

Plot No. G-9, 1ST Floor, Prakashgad, Prof. Anant Kanekar Marg,
Bandra (East), Mumbai-400051.

Phone: (O) 9122-26474211 / 26472131, (P) 26473139

E-mail: cestores@mahadiscom.in, cemmcmstedcl@gmail.com

Website: http://www.mahadiscom.in

MMD/HTM-1/HVDS/Debar/ No 1 9 8 0 5

Date: 30 JUN 2023

BY RPAD/ E-MAIL

To,
M/s. ICI Transformers,
F-783 (E), Road No. 13,
VKI Area, Jaipur,
Rajasthan- 302013.
Email: iciraj.sales@gmail.com

Sub: Debarring of M/s. ICI Transformers, Jaipur for supply of inferior quality distribution transformers against various orders placed by MSEDCL.

- Ref:**
1. A/T No. MMC/L048/T-HTM-09/0818/25774 dtd. 30.10.2018.
 2. A/T No. CE/MMC/L-010/T-HTM-01/0219/15780 dtd. 07.06.2019
 3. A/T No. CE/MMD/L-060/T-HTM-01/0219/EO/16184 dtd. 01.10.2020
 4. A/T No. MMD/L-011/T-HTM1-03/1020 /10893 Date: 28.05.2021.
 5. T.O. e-mail dtd. 20.04.2020.
 6. T.O.L No. MMD/HTM-1/HVDS/DT/REPAIR/13265 dtd. 07.08.2020.
 7. T.O.L No. MMD/HVDS/DT Failure/17832 dtd. 27.10.2020.
 8. T.O.L No. MMD/HVDS/DT Failure/285 dtd. 05.01.2021.
 9. Letter no. AEE/MMS/PHR/142 dtd. 15.11.2021 from AEE, Phursungi stores.
 10. T.O.L No. CE/MMD/HTM-1/HVDS/28562 dtd. 24.11.2021.
 11. T.O. e-mail dtd. 23.12.2021 and 10.01.2022.
 12. T.O.L No. MMD/HVDS/DT Failure/15641 dtd. 13.06.2022.
 13. T.O.L No. MMD/HTM-1/HVDS/20523 dtd. 02.08.2022.
 14. Your firm's letter no. ICIT/MSEDCL/JPR/16 KVA dtd. 12.08.22.
 15. T.O.L No. MMD/HTM-1/HVDS/Debar/7410 dtd. 09.03.2023.
 16. Your firm's letter no. ICI/MSEDCL/16 KVA/JPR/01 dtd. 16.03.23

Dear Sir,

MSEDCL had placed the orders under reference (1) to (4) on your firm for supply of 17,225 nos. of 11KV, 16 KVA three phase distribution transformers under HVDS scheme. As per the terms & conditions of the above said orders you have to supply good quality distribution transformers. However, after installation of these transformers at various places, many transformers are failed. In this regard, various correspondence vide letters & e-mails under reference (5) to (8), (11) and (12) have been made with your firm to replace / repair the failed transformers. It is regretted to say that even after continuous follow up by this office as well as field offices your firm have not replaced / repaired the entire failed transformers in stipulated time period. It is also observed that, no spare stock of transformers is maintained anywhere in the field by your firm for timely replacement of failed transformers. Due to this the progress of HVDS project is hampered.

Further, as per the letter under reference (9) received from Phursungi stores, it is observed that all the distribution transformers supplied by your firm against quantity of the lot have no oil in conservator tank. It is also observed that the oil level indicator is showing good oil level due to sealing of oil level indicator by paratape which is intentionally misconduct by your firm. The matter was informed to your firm vide letter under reference (10). The same was confirmed from the other stores and it is found that most of the transformers supplied by your firm do not have oil in the conservator tank. It is very clear that your firm have not supplied good quality transformers as per technical specifications of MSEDCL.

A committee was formed to analyze the failure of transformers. The transformers were checked in presence of your representative. During detailed inspection of transformers, various discrepancies and quality issues were observed, which are noted by your representatives at different locations. It caused heavy losses to MSEDCL. The detail findings during sample checking are as below:

1. Core laminations found rusted at various locations.
2. Numbers of steps provided to Core laminations are less than the approved G.T.P. (Instead of nine steps found eight) P.R. V. of the transformer Found without cover. This is the most possible reason for water ingress.
3. No inlet is provided to drain valve in the tank.
4. Oil Level in the transformer tank found below the LV Bushing Level. In many cases the conservator tanks are found empty however oil level indicator shows proper level indication.
5. Brass make HV Bushing Rod is connected to Copper Delta wire through G.I. Bolt in all phases.
6. On 'R' phase HV Bushing, Rod & Copper wire found squeezed and connected together.
7. H. V. Bushing 'R' phase found broken at bottom side.
8. All Four Rivet bolts at four corners found loose and not uniformly fitted also top plate found rusted. Outside painting is not proper.
9. Gasket between Main Tank & Top Plate found cracked on LV Bushing side.
10. Creepage distance found is 290 mm against 305 mm & H.V. Bushing found mounted on M.S. Ring, not on curvature shaped embossed plate.
11. In one sample dummy LA was found, no ZnO blocks was observed inside the LA.
12. L-shaped M.S Clamp used for fitting core is fitted linearly instead diagonally.

In view of the above, it is observed that the transformers are failed due to inferior quality of material used and poor workmanship. It is also clear that you have violated terms and conditions of tender by supplying inferior quality transformers.

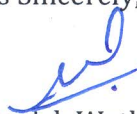
A notice vide letter under reference (13) was served upon your firm to show cause as to why your firm should not be debarred. Since unsatisfactory reply received from your firm vide letter under reference (14), the debarment proceeding was initiated against your firm as per MSEDCL's prevailing Debarment Policy. Further, again fair & reasonable opportunity was given to your firm vide letter under reference (15) to heard and submit your written submission regarding findings of the committee. However, as per reply submitted by your firm vide letter under reference (16), your firm has not invalidate the various findings of the committee viz; rusted Core laminations, less no. of step of core than specified in GTP, no inlet for drain valve, empty conservator tanks showing proper oil level, improper outer painting, loose rivet, less creepage distance, mounting of Bushing not as per specification, use of dummy L.A. having no Zn blocks, etc. These major points are still unanswered from your firm. Your firm has not submitted any substantial evidences in support to your assumptions and failed to prove that the firm has not supplied inferior quality material with poor workmanship to MSEDCL. Thus the written submission made by your firm is not satisfactory, misleading.

On account of your failure to supply the good quality of transformers, MSEDCL has suffered a great set-back, huge financial loss incurred and spoiled image of company causing public unrest. It is clear from the investigation that your firm have failed to supply the good quality of transformers against the issued orders. Thus there is a breach of contract on your part. Hence, as per the terms & conditions of the orders and as per clause no. 9.1(a) of MSEDCL's Debarring policy, your firm is hereby debarred for the period of 3 years with immediate effect for doing the business with MSEDCL along with cancellation of vendor approvals.

This is issued without prejudice to the terms & conditions of the subject orders.

Thanking you,

Yours Sincerely,



Dr. Manish Wath
Chief Engineer (MMD)

Copy s.w.rs. to :

1. Director (Operations)/(Projects)/(Finance)/(Commercial), MSEDCL, Prakashgad, Mumbai.
2. Joint Managing Director, MSEDCL, Ch. Sambhaji Nagar / Konkan Region.
3. Executive Director (O&M)/ (Infra), MSEDCL, Prakashgad, Mumbai.
4. Regional Director, MSEDCL, Nagpur / Pune Region.

Copy f.w.cs. to :

1. Chief Engineer (HVDS/ Dist./Testing/Infra/IPDS), MSEDCL, Prakashgad, Mumbai.
2. Chief Engineer (O&M), All Zones, MSEDCL.
3. Chief General Manager (I.A.) / (C.F.) / (F.A.), MSEDCL, Prakashgad, Mumbai.
4. OSD to Hon. Chairman & Managing Director, MSEDCL, Prakashgad, Mumbai.

Copy of the above is forwarded to the following State Electricity Boards / Distribution, Transmission, Generation Nigams & companies for information please:

1. The Chairman, Assam State Electricity Board, Bijlee Bhawan, Paltan Bazar, Guwahati - 781001.
2. The Chairman, Gujarat State Electricity Board, Vidyut Bhawan, Race Course, Boaroda - 390007.
3. The Chairman, Kerala State Electricity Board, Vidyuthi Bhevanam. Batom, Thiruvananthapuram - 695004.
4. The Chairman, Tamil Nadu State Electricity Board, 800 NPRR, Ramaswami, Maliganl, Anna Silai, Tamil Nadu - 600002.
5. The Chairman, Himachal Pradesh State Electricity Board, Vidyut Bhawan, Simla - 171002.
6. The Chairman, Madhya Pradesh State Electricity Board, PO Box No.34, Rampur - Jabalpur - 432008.
7. The Chairman, Punjab State Power Corporation Ltd., PSEB Head Office, The Mall, Patiala.
8. The Chairman, Meghalaya State Electricity Board, Shilong - 793001.
9. The Chairman, Jharkhand State Electricity Board, Engineering Building, HEO Dhurwa, Ranchi- 834004.
10. The Chairman, West Bengal State Electricity Board, Vidyut Bhawan, 7^o Floor, Bidhan Nagar, Kolkata - 700091.
11. The Chairman, Chhatisgarh State Electricity Board, Dangania, C.S.E.B. Complex, Sunder Nagar Post, Raigur - 492013.
12. The Chairman & Managing Director, Pradesh Power Generation Corporation Ltd., Vidyut Soudha, Hyderabad - 500082.
13. The Chairman & Managing Director, Andhra Pradesh Trans. Corporation Ltd., Hyderabad - 500049.
14. The Managing Director, Haryana Vidyut Prasaran Nigan Ltd., Shakti Bhawan, Sector - 6, Panchkula - 134109.
15. The Managing Director, Haryana Power Generation Corporation Ltd., Shakti Bhawan, Sector -6, Panchkn1a - 134109.
16. The Managing Director. Uttar Haryana Bijlee Vitran Nigam Ltd., Shakti Bhawan, Sector -6 Panchkula - 134109.
17. The Chairman, North Delhi Power Ltd., Grid Sub Station Building, Hudson Lines, Kingsway Camp, New Delhi - 110009.
18. The Chairman, Delhi Transco Ltd., Shakti Sadan, Kotla Road, New Delhi - 110002.
19. The Managing Director , Karnataka Power Generation Corporation Ltd., Shakti Bhawan, 82, Race Course Road, Bangalore - 500001
20. The Chairman, Karnataka Power Trans. Corporation Ltd., Shakti Bhawan, 82, Race Course Road, Bangalore - 500001.
21. The Managing director, Gujarat State Energy Generation Ltd., Block-5, 3rd floor, Udyog Bhawan, Sector - 11, Gandhi Nagar - 382001 (Gujarat).
22. The Chairman & Managing Director, Grid corporation of Orissa, Bhubhaneshwar - 751001.
23. The Chairman, Jodhpur Vidyut Nigam Ltd.. New Power House, Industrial Area, Jodhpur (Rajasthan)
24. The Chairman, Jaipur Vidyut Viyan Nigam Ltd.. Vidyut Bhawan, New Vidhan Sabha Marg, Jaipur (Raj.)
25. The Chairman, U. P. Power Corporation Ltd., Shakti Bhawan, 14, Ashok Marg, Lucknow - 226001.

26. The Chairman, Rajasthan State Electricity Board, Vidyut Bhawan, Vidyut Marg, Jaipur - 137001.
27. The Managing Director, West Bengal Rural Energy Development Corporation Ltd., 9A, British Indian Street, 3rd Floor, Kolkata - 700069.
28. The Secretary, Rajasthan Rajya Vidhut Prasaran Nigam Ltd., Vidyut Bhawan, Joti Nagar. R.C. Dave Marg, Jaipur-302005.
29. The Secretary, Delhi Vidyut Board, Room No.104, Shakii Bhawaii, Nehru Place, New Delhi - 110019.
30. The Managing Director, Dakshin Haryana Bijli Vitaran Nigam Ltd., Vidyut Sadan, Vidyut Nagar, Hisar - 126005.
31. The CMD (West Zone) M.P. Paschim Kshetra Vidyut Vitran Co Ltd.. G.P.H. Compound. Pologround, Indore.
32. Director General of Supplies & Disposal, Department of Commerce (Supply of Division,) Jeevan Tran. Building. 5, Parliament Street, New Delhi - 110001.
33. The Chairman, The National Small Industries Corporation Ltd.. Near Okhla industrial Estate, New Delhi.
34. The Chairman, Bihar State Electricity Board, Patna, Bihar.