

CHAPTER V : STORES AND STOCK

PUBLIC WORKS DEPARTMENT

5.1 Locking up of fund due to idling of stores

Procurement of material without realistic assessment led to locking up of funds to the extent of Rs.10.83 lakh.

5.1.1 Financial Rules provide that purchase of stores shall be made in accordance with definite requirement and purchases in advance or in excess of requirement shall be avoided.

5.1.2 Test-check of records of the Executive Engineers (EEs), Shillong Building Division (SBD) and National Highway cum Tura Central Division (NHTCD) revealed that materials^(a) valued at Rs.10.83 lakh^(b) were procured by these 2 divisions between October 1981 and November 1995 (SBD) and during 1984-85 (NHTCD). There was no issue out of the consignment procured by these divisions till the date of audit (September 2000 and May 2001) and the entire materials were lying in stock unutilised.

5.1.3 Thus, procurement of material without assessment of actual requirement resulted in idle stock with consequent locking up of Government funds to the extent of Rs.10.83 lakh for period ranging from 5 to 20 years. Due to prolonged storage, the stores were vulnerable to deterioration, pilferage or becoming obsolete. No effective steps were taken for disposal of the stores and the departments had also not initiated action to fix responsibility for such unnecessary purchases.

5.1.4 The Divisions did not furnish any reason for non-utilisation of the stores purchased.

5.1.5 The matter was reported to Government in November 2000 and June 2001; reply had not been received (December 2001).

^(a) GI Specials, MS Rods, TS Rods, AC Sheet, GC Sheet, Hume Pipes, Rela, paints, Barbed wire, etc.

^(b)

Sl. No.	Name of Division	Value of stores procured	Value of stores issued till the date of audit since procurement (Rupees in lakh)	Value of stores lying unutilised
1.	SBD	5.04	...	5.04
2.	NHTCD	5.79	...	5.79
		10.83	...	10.83