

EXTRACTS OF AUDIT OBSERVATIONS BY C&AG*

COUNCIL OF SCIENTIFIC AND INDUSTRIAL RESEARCH

Unfruitful Expenditure

Regional Research Laboratory (RRL), Bhubaneswar proposed to procure a High Temperature Contact Angle measuring system with molybdenum disilicide as heating elements. A German supplier quoted for the system with molybdenum silicon dioxide as the heating element instead of molybdenum disilicide. However, RRL did not notice the change in the quotation and placed the order on the firm for the system with molybdenum silicon dioxide as heating element in January 2004. On receipt of the system in July 2004, it was noticed that the heating system supplied by the firm was neither molybdenum disilicide nor molybdenum silicon dioxide but molybdenum oxide. RRL requested the supplier in October 2004 to replace the equipment, which the latter refused to do. Neither had the matter been resolved with the supplier nor had RRL initiated any legal action against the supplier, with the result that the system costing Rs.24.04 lakh was lying uninstalled.

Avoidable Expenditure

The Central Mechanical Engineering Research Institute (CMERI) identified its two units, Mechanical Engineering Research and Development Organization (MERADO) at Chennai and Pune as poor performers and recommended their closure to the Council of Scientific and Industrial Research (CSIR) in August 2001. However, on CMERI's instruction a purchase order for SMART-300 X-ray machine at a cost of Rs.17.17 lakh was placed in December 2001. CSIR instructed closure of MERADO Chennai and Pune in April 2002. MERADO, Pune also had a SMART-300 X-ray machine. The newly procured machine of MERADO, Chennai was transferred to CMERI, Durgapur. CMERI did not explore the possibility of its utilization, which led to avoidable expenditure of Rs.17.17 lakh.

(REF. REPORT OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA FOR THE YEAR ENDED MARCH 2005, UNION GOVERNMENT (CIVIL) NO.2 OF 2006 (TRANSACTION AUDIT OBSERVATIONS) - TABLED IN THE PARLIAMENT ON 21ST MARCH 2006)*