



एसजेवीएन लिमिटेड
निगम मुख्यालय
शक्ति सदन, शानान, शिमला 171006

Our Shared Vision: 25000 MW by 2030 and 50000 MW by 2040

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Dated : 09 .08.2024

System Circular

A periodic inspection of Store Department of one of the units of SJVN/Subsidiary, was carried out wherein following areas were identified for improvement :

- 1) The Stock register was maintained "order wise" which creates obstacle during search of specific item. Accordingly, stock register may be maintained "item wise", until the ERP system is streamlined, which will enable easy access to store items and inventories.
- 2) Purchase requisition control number is not being written in Store Receipt Voucher book (SRV). Accordingly, purchase requisition control number may be incorporated in SRV book as per the format in future so that specific requisition could be traced efficiently.
- 3) Some items which were issued as per the records, were still kept in the store. The items cannot be kept in store after issuance of inventory. However, if due to unavailability of storage/space with the indenting/executing department, the material required to be kept in the store temporarily after issuance, the same needs to be recorded and maintained.
- 4) Various obsolete/scrap items were lying in the store. The case for timely disposal of the obsolete/scrap items may be initiated as per the existing norms of the company and other applicable norms of Government (if any).
- 5) No insurance policy has been taken for inventory kept in store. Accordingly, to prevent any loss arising from unforeseen circumstances, an appropriate insurance policy for the inventories in the store, at-least on annual basis to protect the interest of the project may be taken.
- 6) Items were not properly stacked and were disorganized. Hence, during critical / urgent requirement of any of the inventory item, the lack of proper arrangement and stacking of items, potentially may leads to disaster in accessing, identifying and managing the inventory.

Accordingly, a systematic and organized "Inventory control method" such as ABC analysis, FSN analysis, HML etc (as per SJVN's inventory policy) be adopted in store department. Further, "Storage Bin Card System" as detailed in SJVN's inventory policy may also be implemented. This system will entail assigning a unique identifier of each item (i.e. codification) and recording all transactions, including receipts, issuances, and adjustments, on individual bin cards associated with specific storage locations. It will help to provide the real time visibility of inventory details and streamline the process of locating items within the store department.

- 7) A "Single Format" for the purpose of intimation, authorization and inspection of material received may be devised for an effective time and manpower utilization. The mentioned system has already been in-place at NJHPS, hence, the cognizance of system, wherever required may be taken accordingly.

- 8) In case of spot purchase, Clause 8.6 (iv) of Procurement & Works Policy 2023 states that, "The items purchased shall be routed through Stores and drawn for consumption only against issue vouchers. In exceptional cases, due to urgency, when the items are taken directly to points of consumption, the same shall be regularized by Good Receipt (GR) Sheets and issue voucher for the quantity received and consumed respectively. The items so consumed directly, shall be intimated by way of special report to the HOP and the balance items if any, sent to the Stores/Sub-stores. Where dedicated stores do not exist, proper stock register for receipts and issues against such purchases shall be maintained." During the inspection, non-compliance of the same was found. Henceforth, compliance of relevant clauses of Procurement & Works Policy & DOP in future must be ensured.

For necessary compliance by all concerned.


(Sushil Sharma) 9/8/24
Chairman & Managing Director

Distribution:

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3. All HOPs/HODs/CEOs