

3.4.4 Injudicious decision

Not only the construction of the hospital building was incomplete (₹ 51.34 crore) even after over three years of scheduled date of completion, the decision for procurement of equipment (₹ 4.40 crore) without ensuring completion of the building in Faizabad district, was injudicious.

In follow up to the Chief Minister's declaration, the Government accorded (March 2008) administrative and financial sanction of ₹ 54.05 crore (revised)⁸⁸ for construction of 300 bed hospital building in Faizabad district and assigned (March 2008) the construction work to Uttar Pradesh *Rajkiya Nirman Nigam* (UPRNN) for completion by March 2011.

Scrutiny of the records in the office of the Chief Medical Superintendent (CMS), Faizabad revealed (November 2013) that the Government released ₹ 51.34 crore to UPRNN during 2008-14. In June 2008, UPRNN commenced the construction work. However, the construction work on the ward block was not commenced on the site earmarked for it due to local dispute. As a result, the outlay plan was revised and approved (May 2011) and a direction was issued to complete the construction work by March 2012. Despite the instruction, the work was incomplete as of November 2014.

In February 2010, the Government accorded administrative and financial sanction (₹ 6.19 crore) for purchase of equipment and released ₹ 5.81 crore. By this time (February 2010), 51 *per cent* of the construction works were complete. Without taking into account the fact that the building construction work was incomplete, CMS, Faizabad invited tender for purchase of equipment and placed (February and March 2010) the supply orders for equipment costing ₹ 4.40 crore. The equipment⁸⁹ and other items were supplied during March 2010 and ₹ 4.40 crore was paid (April 2010) to the suppliers. However, as the construction work of the hospital building was incomplete, the equipment were not installed and were lying in stores even after four years, as of June 2014. UPRNN had completed 80 *per cent* of the construction works at ₹ 51.34 crore (as of November 2014).

Thus, not only the construction of the hospital building was incomplete (₹ 51.34 crore), even after over three years of scheduled date of completion, the decision of the Government for procurement of equipment (₹ 4.40 crore), without ensuring completion of the hospital building in Faizabad district, was injudicious.

During discussion in November 2014, the Government accepted the facts & figures and the audit observations.

⁸⁸ G.O. no. 412/5-1-08-5(7)/08 dated 28 March 2008 for ₹ 33.68 crore.

⁸⁹ There were two suppliers and number of items: 232 (equipment & others).