

MEDICAL HEALTH AND FAMILY WELFARE DEPARTMENT

5.6 Unfruitful expenditure

Jawaharlal Nehru Institute of Medical Sciences failed to put Oxygen Generation Plant (OGP) into use leading to unfruitful expenditure of ₹ 1.11 crore.

Rule 26 (iv) of General Financial Rules, 2005 states that the duties and responsibilities of a controlling officer in respect of funds placed at his disposal is to ensure that adequate control mechanism is functioning in his department for prevention, detection of errors and irregularities in the financial proceedings of his subordinate offices and to guard against waste and loss of public money.

Test check of records (February 2019) of the Director, Jawaharlal Nehru Institute of Medical Sciences (JNIMS), Porompat showed that supply order (March 2011) for purchase/ installation of Oxygen Generation Plant (OGP)¹⁵¹ was placed for JNIMS campus to M/s Narula Udyog (India) Private Limited, New Delhi¹⁵² at a total cost of ₹ 1.11 crore. The OGP was subsequently delivered and installed inside JNIMS campus on 04 January 2014.

The installed capacity of the OGP was 900 cylinders per month (30 per day) which was sufficient to cater to the average monthly requirement of the Hospital which stood at 715 per month. However, the OGP could be put to use for ten months' period from January 2015 to October 2015 and produced only 156 numbers of D-Type oxygen cylinders against its capacity to produce 9000 cylinders (900X10 months).

Further scrutiny showed that due to power fluctuations, the air compressor¹⁵³ of the OGP got damaged and the OGP could not be put to use since 25 October 2015. The efforts made by the Institute to get the air compressor repaired were not on record.

While admitting the matter pointed out in audit (July 2019), the Director, JNIMS stated (November 2019) that the OGP remained non-functional as the payment between the JNIMS and the supplier (Narula Udyog Limited) could not be settled.

Thus, the OGP installed at a cost of ₹ 1.11 crore has been non-functional since October 2015 defeating the purpose of production of in-house oxygen. Further, the Institute was still heavily dependent on the oxygen supplied by private

¹⁵¹ 30 cylinders per day capacity inclusive of Compressed air source, Air cleaning system, Oxygen, Nitrogen separation system, Oxygen purifying device, buffer tank, Temperature test device and control system, Bus bar and Oxygen Compressor, Cylinder filling system and 50 D type cylinders.

¹⁵² Vide order no. K/15/JNIMS/Procur.III/DHS-2010 dated 14th March 2011.

¹⁵³ As reported by the Technician on 09.11.2015.

firm¹⁵⁴ for which an expenditure of ₹ 10 lakh per month¹⁵⁵ on an average was being incurred.

The matter was referred to the Government (July 2019); reply has not been furnished (July 2020).

Recommendation: Responsibility of the officials accountable for non-repairing of the plant and wasteful expenditure of ₹1.11 crore may be fixed.

¹⁵⁴ M/s Den Gas agency, Uripok Machin, Imphal, Manipur.

¹⁵⁵ @ ₹ 1400 per cylinder.