

The matter was referred to the Government in September 2017; reply was awaited (December 2017).

3.7 Unfruitful Expenditure on construction of Ayush Hospital

Departmental failure to seek prior permission from the Lakes and Waterways Development Authority, before taking up the construction works of integrated Ayush Hospital and Wellness Centre at Harwan, resulted in unfruitful expenditure of ₹three crore, blocking of ₹3.38 crore and creation of liability of ₹2.75 crore.

Building Operations regulation provide that every person intending to undertake or carry out the development of any site or erect or re-erect any building in any Municipal area of Srinagar and local area of Srinagar not included in the Municipal area of Srinagar shall give a notice of his intention in writing in a prescribed format duly supported with certain documents to the Chairman, Building Operation Controlling Authority. The Authority shall either grant the permission, subject to such terms and conditions as may be specified in the order or refuse to grant the permission on such grounds as may be specified and recorded. In case the applicant has fulfilled all the formalities and the Authority has not decided the notice of intent of the applicant within a maximum period of 90 days from the date of application, the permission shall be deemed to have been accorded provided the proposed construction does not violate certain prescribed conditions and does not come in the alignment of the green belt.

A Detailed Project Report (DPR) for construction of a double story 50 bedded integrated Ayush Hospital and Wellness Centre at Harwan situated in the green belt at an estimated cost of ₹7.51 crore was submitted (October 2012) by the Chief Engineer (CE), Public Works, Roads & Buildings (PW, R&B), Kashmir to the Director, Indian System of Medicine (ISM), Jammu and Kashmir Government. The Chief Engineer, PWD, R&B, Kashmir allotted (January 2014) the work to a contractor at a cost of ₹4.04 crore for its completion within a period of 500 days.

Scrutiny of records of the Executive Engineer (EE), PW (R&B) Construction Division 2nd Srinagar, revealed that the construction work started on 01 May 2014 was suspended with effect from 21 October 2015 on the Court directions. Prior permission of Lakes and Waterways Development Authority (LAWDA)⁵⁰ was not obtained before taking up the construction work. Although the contractor had approached LAWDA for seeking permission for carriage of construction material, the same was denied (May 2014) by LAWDA and had also directed the Executive Engineer and Director, ISM to obtain the necessary building permission before carrying out any construction at site. However, without obtaining the building permission, an expenditure of ₹5.75 crore including a liability of ₹2.75 crore had been incurred on incomplete⁵¹ construction works. The building permission sought subsequently from

⁵⁰ Authority responsible for giving the building permission in the area where the construction site was situated

⁵¹ First floor up to slab level and brick masonry of ground level

LAWDA was rejected (November 2016) on the grounds that the Building Permission Authority cannot regularise the structures constructed before seeking proper permission. It was also confirmed (August 2017) by the Directorate, ISM that the Government of India had released an amount of ₹6.38 crore for this project in December 2011, out of which, ₹three crore were released to R&B Department and the balance ₹3.38 crore were lying in the bank account⁵². Thus, failure to seek prior permission for construction resulted in unfruitful expenditure of ₹three crore, blocking of ₹3.38 crore for more than five years, creation of liability of ₹2.75 crore and denial of benefits of the Project.

On this being pointed out, the EE, PW (R&B) Construction Division 2nd Srinagar stated (December 2016) that the work was started as per the orders of the higher Authorities with the intimation that necessary clearance from LAWDA is being obtained. It was also stated that the higher Authorities are in touch with the LAWDA Authorities for obtaining the necessary permission so that the expenditure can be made productive by way of starting the work on the project. The reply is not tenable, as LAWDA has informed that Building Permission Authority cannot regularise the structures constructed before seeking proper permission.

The matter was referred to the Government in June 2017; reply was awaited (December 2017).

3.8 Unauthorised functioning of healthcare institutes and non-realisation of revenue

Failure to renew the licenses of the Nursing Homes/ Clinical establishments and recover the licenses renewal fee resulted in unauthorised functioning of these establishments and non-recovery of revenue of ₹0.44 crore.

Jammu and Kashmir Nursing Homes and Clinical establishments (Registration and Licensing) Act, 1963 regulate the system of registration and licensing of Nursing Homes and Clinical establishment in the State. Section 3 of the Act envisage that no person shall open, keep or carry on the Nursing Homes or Clinical establishments without being registered in respect thereof and except under and in accordance with the terms of a license granted therefor. The Department of Health, Family Welfare and Medical Education issued norms for registration and licensing of Nursing Homes and Clinical establishments 2006, modified in March 2007⁵³ for registration and licensing of Nursing Homes and Clinical establishments and prescribed rates for registration/ renewal fee for different healthcare institutes in rural/ urban areas. The registered healthcare institutes were to deposit the renewal fees every three years and health Authorities were at liberty to inspect these institutions at any time in the year.

Audit scrutiny of records of the Directors of Health Services (DHS) Jammu/ Kashmir revealed that out of 1,883⁵⁴ healthcare institutes registered in the State, 990⁵⁵ (53 *per cent*) had not renewed their licenses on due dates during July 2009 to

⁵² No. CD-321

⁵³ Govt. Order No. 191-HME of 2007 dated 22.03.2007

⁵⁴ Jammu: 700; Kashmir: 1,183

⁵⁵ Jammu: 359; Kashmir: 631