Instead of depositing the requisite rent, UIT Kota stated (May 2018) that the land being used for segment making plant in fact pertained to UIT as it was a part of 60,032 square meters land which MC had encroached earlier, hence no rent was payable to MC. However, later in a joint meeting (August 2019) of both the departments, UIT agreed that the land pertained to the Medical College.

On the other hand UIT, Kota also did not demand any rent from the contractor. As such, the contractor was utilising public assets without paying rent to any of the two agencies i.e. UIT, the awarder of the contract and MC, the owner of the asset.

Medical Education Department while accepting the facts stated (January 2020) that MC, Kota made the land available to UIT without obtaining sanction from competent authority. On the other hand, UIT stated (November 2019) that said land was provided to UIT, Kota by the MC, Kota without prescribing any condition regarding payment of rent.

Thus, the fact remains that providing land to UIT by MC, Kota without adhering to necessary procedure and failure of UIT, Kota to clearly specify the rent payable before allotting space for construction work resulted in undue advantage to the contractor and deprival of rent to the tune of ₹ 23.33 crore (January 2020) since October 2017.

3.7 Unfruitful expenditure on Research Hospital, Jaipur

Despite the assurance given to the Public Account Committee, Super Specialty Research Hospital under RUHS remained incomplete even after lapse of 11 years and incurring an expenditure of ₹ 19.30 crore, rendering the expenditure unfruitful.

With a view to establish a hundred bedded Super Specialty Research Hospital (Research Hospital) at Jaipur, under control of Rajasthan University of Health Sciences (RUHS), GoR sanctioned (September 2007) an amount of ₹ 10.00 crore for construction of the building to be completed by 28 February 2009. However, the hospital building could not be completed as of March 2009 after incurring an expenditure of ₹ 7.38 crore[17] due to paucity of funds which were neither provided by the GoR nor by RUHS from its own resources to the executing agency[18]. A mention in this regard was made in the paragraph 2.4.6.1 of Report of the Comptroller and Auditor General of India for the year ending 31 March 2011 (Civil) Government of Rajasthan.

The Public Accounts Committee (PAC) examined the issue in November 2012 and called for (August 2013) the reasons for not completing the construction of Research Hospital through RUHS's own funds. GoR clarified (June 2014)

17 Including pending liability of ₹ 0.58 crore.
18 Rajasthan State Road Development and Construction Corporation (RSRDCC).

to the PAC that recurring expenditure for Research Hospital along with expenditure on equipment, furniture and appliances was to be borne by RUHS whereas non-recurring expenditure (civil) was to be provided by GoR. It was also submitted that funds as demanded by RUHS for the construction of Research Hospital were being provided through budgetary provisions and GoR assured (June 2014) the PAC that the work was in the final stages. In view of the GoR reply, the PAC settled the issue vide its Action Taken Report no. 48 (13thVidhansabha) which was laid (February 2015) in the Legislature.

Audit scrutiny of records of RUHS in October 2018 revealed that GoR revised (February 2013) the administrative sanction for construction of Research Hospital to ₹ 24.65 crore with the condition that RUHS would contribute ₹ 1.20 crore from its own resources. Thereafter, GoR released additional funds of ₹ 11.65 crore[19] to RUHS during April 2011 to March 2014, of which ₹ 5 crore was released in March 2013 as interest free loan to be repaid to Government in four equal instalments from 2014-15 onwards. Rajasthan State Road Development and Construction Corporation (RSRDCC) in turn incurred an expenditure of ₹ 21.15 crore on construction of research hospital out of which RUHS released ₹ 12.50 crore[20] (including ₹ 1.20 crore from its own fund) to RSRDCC from June 2011 to September 2019 for completion of the work.

In order to ascertain the progress in construction, Joint physical inspection was conducted by Audit along with departmental representatives in June 2019[21]. The Joint inspection revealed that the construction of the Research Hospital was incomplete (June 2019) as outer civil work, development work, electric work, lift installation etc., were still pending. As such, the work was at standstill since July 2014 due to paucity of funds. Further, during the joint inspection, it was observed that the transformer and cooling plant installed in the incomplete structures were lying unutilized and had deteriorated with passage of time. Also there was water logging/seepage in basement, severe cracks in the walls and damage to windows and doors of the existing structure as shown in the photographs below.

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[19] Total funds released: ₹ 18.45 crore (₹ 6.80 crore upto March 2009 and ₹ 11.65 crore during April 2011 to March 2014).

[20] ₹ 195.00 lakh in June 2011; ₹ 196.15 lakh in February 2012; ₹ 161.88 lakh in May 2012; ₹ 100.00 lakh in April 2013; ₹ 200 lakh in April 2014; ₹ 200.00 lakh in October 2014; ₹ 50.00 lakh in December 2014; ₹ 27.11 lakh in March 2015 and ₹ 1.20 crore in September 2019.

[21] A joint physical inspection was also carried out in October 2018.

Cracks in walls of Research Hospital building

Water logging/seepage in basement of Research Hospital building

It was also noticed that GoR also did not release funds despite requests (June and September 2015) by RUHS. On the other hand, GoR demanded (September 2015) ₹ 5.00 crore from RUHS which was released earlier (March 2013) as interest free loan.

On being referred (October 2019), GoR accepted the facts and stated (January 2020) that the construction of research hospital was still incomplete and RUHS was not in a position to complete the work due to paucity of funds.

Despite the assurance given to PAC, the construction work of Research Hospital building remained incomplete even after lapse of 11 years and incurring an expenditure of ₹ 19.30 crore[22], rendering the expenditure unfruitful.

Public Health Engineering Department

3.8 Excess payment on account of price escalation for Ductile Iron pipes

Calculation of price escalation for Ductile Iron pipes based on indices of incorrect item for steel component led to excess payment of ₹ 10.73 crore to the contractors.

Clause 45 of General Conditions of contract provides that if the price of any materials/bitumen/diesel/petrol/cement and steel incorporated in the works and/or wages of labour-increases or decreases, as compared to the price and/or wages prevailing at the date of opening of tender or date of negotiations for the work, the amount payable to the contractor for the work shall be adjusted for increase or decrease in the rates of materials/bitumen/diesel/petrol/cement and steel. Further, increase or decrease in the rates of materials/bitumen/diesel/ petrol/cement and steel shall be calculated quarterly, based on average

22 ₹ 6.80 crore + ₹ 11.30 crore + ₹ 1.20 crore = ₹ 19.30 crore.