CHAPTER - III

Chapter III

Audit of Transactions

Audit of transactions of the Government Departments, their field formations as well as that of the autonomous bodies brought out instances of lapses in management of resources and failures in the observance of the norms of regularity, propriety and economy. These have been presented in the succeeding paragraphs under broad objective heads.

3.1 Non-compliance with rules and regulations

For sound financial administration and financial control, it is essential that expenditure conforms to the financial rules, regulations and orders issued by the competent authority. This not only prevents irregularities, misappropriations and frauds, but also helps in maintaining good financial discipline. Audit finding on non-compliance with rules and regulations is discussed below.

School Education and Sports Department

3.1.1 Unfruitful expenditure

Failure of the School Education Department to plan and implement the Central Scheme of continuing education for neo-literates in Chandrapur district in an effective and efficient manner led to unfruitful expenditure of ₹ 103.65 lakh.

Under the scheme of continuing education for neo-literates launched by the Government of India (GoI) in 1988, the Central Government provides 100 *per cent* financial assistance to the States for Continuing Education Programme (CEP) for the first three years, which is limited to 50 *per cent* during the next two years (the remaining 50 *per cent* is to be contributed by the State Government). After a period of five years, the Central Government does not extend any financial assistance for continued running of the established Continuing Education Centers (CECs) and the State Governments are expected to take over the responsibility for the continued running of the CECs through Panchyati Raj Institution or other local bodies. The objectives of the scheme are to enable the learners to continue their learning beyond basic literacy, improve their living conditions and overall quality of life.

The GoI sanctioned (November 2005) establishment of 53 Nodal Continuing Education Centers (NCECs) and 501 CECs in Chandrapur district of Maharashtra and approved a grant of ₹ 313.11 lakh. The first installment of the grant for the first year amounting to ₹ 176.24 lakh was released to Zilla Saksharta Abhiyan Samiti, Chandrapur in February 2006, through Maharashtra Rajya Saksharta Parishad, Pune (MRSP). It was specifically mentioned in the release order that first year CEP should be completed in a period of 12 months and the second installment for the first year CEP would be released only after details about utilization of funds of earlier grants were furnished.

Scrutiny of the records (April 2011) of Education Officer (Continuing Education), Zilla Parishad (ZP), Chandrapur revealed the following:

- Though the grant of ₹ 176.24 lakh was received in February 2006, the NCECs and CECs started functioning only from September 2006 i.e. after a time lapse of six months. GoI granted (September 2006) extension of time for utilization of first year grant up to February 2007, which was further extended up to May 2007. However, all the 554 NCECs and CECs ceased to function after February 2007 as the Central grant of ₹ 176.24 lakh could not be fully utilized during the short span of six months. The second installment of the grant for the first year was not released subsequently by the GoI. Thus, due to delay in commencement of operations and gross under-utilization of funds, the first year CEP could function only for six months (September 2006 to February 2007) against 12 months envisaged in the GoI release order.
- During the period from September 2006 to May 2007, the Zilla Saksharta Abhiyan Samiti, Chandrapur incurred a total expenditure of ₹ 103.65 lakh, of which, an expenditure of ₹ 73.19 lakh was incurred between September 2006 and February 2007. A further expenditure of ₹ 30.46 lakh was incurred between March 2007 and May 2007 on purchase of books, stationary, magazines, bicycles, sports and recreational material *etc*. the supply orders for which were placed before February 2007. Thus, while only 42 *per cent* of grant[1] could be utilized till the cessation of the functions in February 2007, the material purchased at a cost of ₹ 30.46 lakh were supplied after the closure of the centers and therefore, did not serve any useful purpose.
- The Zilla Saksharta Abhiyan Samiti has an unspent grant of ₹ 90.52 lakh[2] at the end of May 2007. The accounts were, however, closed in December 2010 and the unspent grant was refunded to GoI only in January 2011. Unnecessary retention of unspent grant of ₹ 90.52 lakh, thus, resulted in blocking of Central Government funds for nearly 3 ½ years.
- After the closure of the centers, the material purchased for the CEP was kept in the custody of the ZP primary schools for safety reasons. In a meeting held in November 2007, the Zilla Saksharta Abhiyan Samiti, Chandrapur decided to distribute the material to the students and neo-literates for their use, through the Head Masters of the ZP schools. However, no records of the distribution of material were available at the Panchayat Samiti level.

The School Education Department stated (April 2011) that the grant from MRSP was received late. It took some time to appoint the Preraks, select the sites for the centers, conduct specialist guidance training, create the environment for continuing education, *etc*. Further, due to general elections of Nagar Parishad (NP) and ZP, expenditure could not be incurred within the

1 (₹ 73.19 lakh ÷ ₹ 176.24 lakh) * 100

2 {₹ 176.24 lakh (grant amount) + ₹ 17.62 lakh (interest) + ₹ 0.31 lakh (income from sale of Tender applications)} minus ₹ 103.65 lakh (total expenditure)

stipulated period. The Department added that the bank account was closed on 31 December 2010 as per instructions of Director, Adult Education, Pune, therefore, there was delay in refund of grant to the GoI.

The case clearly demonstrates the failure of the School Education Department to plan and implement the Central scheme of continuing education in Chandrapur district in an effective and efficient manner. The scheme which was expected to run self-sustaining CECs in the district at the end of five years, failed miserably during the first year itself leading to an unfruitful expenditure of ₹ 103.65 lakh. The general elections of NP and ZP have no valid connection with the implementation of the programme.

The matter was reported to the Government in April 2012; their reply was awaited as of January 2013.

3.2 Audit against propriety/Expenditure without justification

Authorisation of expenditure from public funds has to be guided by the principles of propriety and efficiency of public expenditure. Authorities empowered to incur expenditure are expected to enforce the same vigilance as a person of ordinary prudence would exercise in respect of his own money and should enforce financial order and strict economy at every step. Audit detected an instance of lack of propriety in public expenditure which is discussed below.

Medical Education and Drugs Department

3.2.1 Infructuous expenditure on purchase of bio-medical waste system

Inept handling of contract for procurement of a bio-medical waste system by Dr. V.M. Government Medical College, Solapur and the Medical Education and Drugs Department not only led to an infructuous expenditure of ₹ 1.85 crore, it eventually led to engagement of a private agency for the same work at a recurring monthly expenditure of ₹ 48,500.

The Maharashtra Pollution Control Board (MPCB) authorised (October 2007) M/s Bioclean Systems (India) Private Limited to operate a common bio-medical waste treatment and disposal facility on BOOT[3] basis with Solapur Municipal Corporation for collection, transportation, storage and treatment of the bio-medical waste generated by all the hospitals/health centres located in Solapur. The Company was authorised to treat the bio-medical waste through incineration, disinfection/mutilation, autoclave, shredder *etc*.

Bioclean Systems submitted (September 2009) a quote of ₹ 46,000 per month to Chattrapati Shivaji Maharaj General Hospital, Solapur (hospital) for disposal of bio-medical waste being generated by it. However, no agreement could be reached as the Government Medical College[4] (college) attached to the hospital had already submitted a proposal (June 2009) to Medical

[3] Build, Own, Operate and Transfer
[4] Dr. V. M. Government Medical College, Solapur

Education and Drugs Department, Government of Maharashtra (department) for procurement of a bio-medical waste system for the hospital using shredding and steam sterilization method for processing 80 to 100 kg of waste per day being generated by the hospital. The college justified direct procurement of the system on the following grounds:

- The existing incinerator was old and not working satisfactorily resulting in heavy expenditure on repairs;
- The new system would prevent air pollution by disposal of the bio-medical waste through incineration;
- Disposal/treatment of bio-medical waste through private agencies would result in recurring expenditure.

The department invited tenders for procurement of a bio-medical waste system in July 2009. Total five bids were received and on evaluation of the bids, the lowest offer of M/s Salaxmi Distributors, Pune at ₹ 1.85 crore was accepted by the department in September 2009. Accordingly, the college placed a purchase order (September 2009) on Salaxmi Distributors, Pune (supplier) for procurement of one bio-medical waste system (system) *ex-France.* The terms and conditions of purchase order *inter alia* stipulated the following:

- The system shall be delivered within one month from the date of receipt of order, failing which, penalty at the rate of 0.5 *per cent* of total cost of the system shall be charged for every week of delay;
- 90 *per cent* payment shall be released after installation and satisfactory report of the technical committee of the college and the remaining 10 *per cent* shall be released after 30 days of satisfactory working of the system and compliance to all documents indicated in the tender; and
- Warranty shall be for a period of two years from the date of installation of the system.

Audit scrutiny of the rationale for direct procurement of the system, its receipt, supply and installation, payment status and utilisation of the system by the hospital revealed the following inadequacies:

- The system was supplied and installed in July 2010, against the target date of October 2009. There was, thus, delay of nine months (approximately 37 weeks) in supply and installation of the system in the hospital. Payment of 90 *per cent* (₹ 1.67 crore) was released to the supplier in August 2010.
- Penalty amounting to ₹ 34.23 lakh[5] resulting from delay of 37 weeks in supply of the system was not recovered from the supplier.
- The college applied for authorisation[6] from MPCB for handling of bio-medical waste in August 2010. The authorisation was, however, granted by MPCB only in January 2011. As a result, the system remained non-operational for six months from July 2010 to December 2010.

5 ₹ 18,500,000 * 0.5 *per cent* = ₹ 92,500 * 37 weeks = ₹ 34,22,500

6 As per Rule 8 of the Bio-Medical Waste (Management and Handling) Rules, 1998

- After receipt of MPCB authorisation, the system was made operational only from 25 January 2011. However, the balance payment of 10 *per cent* (₹ 0.18 crore) was released to the supplier in January 2011 without operating the system for 30 days, as stipulated in the purchase order.
- Scrutiny of log book showed that the system was operated by the hospital only for 42 days between 25 January 2011 and 07 March 2011, during which only 204 kg of bio-medical waste was processed and disposed of, against the minimum estimated capacity of 3,360 kg[7] of waste expected to be processed and disposed of by the hospital.
- The system could not be operated at all from 08 March 2011 due to breakdown of the main circuit breaker and some missing parts which were reportedly stolen from the system between April 2011 and August 2011.
- Though warranty on the system was valid up to June 2012, yet the college/department could not enforce any warranty repairs; because the supplier, under the terms and conditions of the tender, was not liable to replace the stolen parts. Consequently, the supplier declared the system "beyond repairs" and communicated the same to the college in May 2012.
- The hospital finally outsourced the collection and disposal of bio-medical waste to Bioclean Systems from January 2012 at a cost of ₹ 48,500 per month.

Evidently, inept handling of the contract by the college and the department for direct procurement of a bio-medical waste system not only led to an infructuous expenditure of ₹ 1.85 crore, it eventually led to engagement of a private agency for the same work at a recurring monthly expenditure of ₹ 48,500, thus, defeating the very rationale of direct procurement.

The matter was referred to the Government in May 2012; their reply was awaited as of January 2013.

3.3 Failure of oversight/Governance

The Government has an obligation of improving the quality of life of the people for which it works by fulfilling certain goals in the area of health, education, development and upgradation of infrastructure and public services *etc*. However, Audit noticed instances where funds released by Government for creating certain public assets for the benefit of the community remained unutilised/ blocked and/or proved unfruitful/ unproductive due to indecisiveness, lack of administrative oversight and concerted action at various levels. A few such cases have been discussed below.

[7] 80 kg * 42 days = 3,360 kg

Higher and Technical Education Department

3.3.1 Unfruitful expenditure

The University of Mumbai failed to implement the SAP-ERP project for computerisation of its administrative processes in collaboration with the contractor despite time lapse of more than four years and an expenditure of ₹ 3.01 crore.

The Management Council of University of Mumbai (University) resolved in May 2006 to implement SAP-Enterprise Resources Planning (SAP-ERP) package for computerisation of its administrative processes. The IT enabled process was expected to lead to increased functional efficiency and facilitate prompt response to the colleges, students and other constituents interacting with the University. The project was estimated to cost ₹ 2.70 crore[8].

Tenders for SAP implementation were invited in February 2006. Eight vendors submitted their technical and financial bids. The technical bids were evaluated by the technical committee in March 2006. On the basis of technical evaluation, three vendors[9] were short-listed and the financial offer of M/s Tata Consultancy Services (TCS) being the lowest at ₹ 1.63 crore was accepted. Accordingly, the University signed an agreement with TCS in December 2006 for implementation of 18 SAP modules (which had many sub-modules) and four non-SAP modules by December 2007. As per the terms of the agreement, payment was to be released to TCS in four phases as under:

Milestones	Description	Payment
1	End of business blueprint document and Go-Live 1st Phase (University portal + Admission related modules)	20%
2	End of realization and beginning of final preparation	20%
3	Final Go-Live	40%
4	End of hand-holding support	20%

Scrutiny of records of the Registrar of the University revealed (December 2010) that the University belatedly purchased the requisite software and hardware at a cost of ₹ 1.31 crore in March-April 2007 *i.e.,* three to four months after commencement of contract.

Further, schedule 6 of the agreement lays down the project milestones and deliverables by TCS as well the University. However, the University was not fully geared up to drive the project along with TCS, in a truly collaborative mode. There were delays and lapses on the part of the University in fulfilment of the project deliverables, as indicated below:

- The University did not deploy a core team on full-time basis; as a result, project planning, monitoring and tracking, project change management and organization change management could not be put in place during project implementation;

[8] Development cost: ₹ 1.50 crore; Licensing cost: ₹ 0.56 crore; SAP maintenance: ₹ 0.09 crore; and Hardware: ₹ 0.55 crore

[9] Hewlett Packard; PriceWaterHouse Coopers; and Tata Consultancy Services

- The project infrastructure was not adequately set up. There were delays in procurement of servers, UPS, tape and storage media, printers, desktops for the users;
- There were delays in sign-off of requirements, blueprints and design documents;
- There was delay of several months in conducting acceptance testing of delivered systems by the University;
- There were delays in data collection and data entry for all domains within University departments and by third parties;

Due to the inadequacies indicated above attributable to the University, TCS could not implement the programme package within the scheduled time frame of the contract. TCS and the University mutually agreed to extend the date of final 'Go-live' from time to time. However, the final 'Go-live' could not be achieved even by the third rescheduled date of 09 May 2008. Accordingly, TCS requested the University to convert the original contract into "Time and Material" contract by which the University would be liable to pay additional charges for the services rendered by TCS beyond the contract period. However, this was not agreed to by the University and consequently, TCS pulled out its team members from the work site and put the project on hold from July 2008. From July 2008 till August 2012 (50 months) the project continued to remain suspended.

As of May 2012, of the total 18 SAP modules to be implemented, the realisation was achieved only in nine modules; four modules were close to realisation but not completed; and five modules could not be implemented. Regarding the implementation of four non-SAP modules, except for 'Institute of Distance Education (IDE)' online module, the rest of the three modules on 'Affiliation'; 'Examination'; and 'Enrolment' were halfway. The University incurred a total expenditure of ₹ 3.01 crore, including committed liabilities up to August 2012, as under:

Sl. No.	Description	Payment (in INR)
1.	Servers (Hardware) from M/s HP	72,96,198
2.	SAP Licensing to M/s SAP	58,24,000
3.	SAP support to M/s SAP	9,79,481
4.	SAP implementation to M/s TCS (already paid)	62,00,000
5.	SAP implementation to M/s TCS (committed at Go-Live stage)	62,00,000
6.	SAP implementation to M/s TCS (committed at hand-holding stage)	36,40,600
	Total	**3,01,40,279**

The Registrar of the University stated (May 2012) that the tender was a "fixed cost" tender and the timeline set by TCS was very aggressive. Therefore, TCS probably quoted less than 50 *per cent* of the rates submitted by other vendors. When TCS found that they cannot complete the project in the stipulated time frame, they asked for converting the project from "fixed cost" contract to "Time and Material" contract. The Registrar added that TCS had its own learning curve of working in a University system and the project was out of radar of both the top management of TCS as well as the University.

The reply is not acceptable as the collaborative support expected of the University in smooth implementation of the project was deficient – either in ensuring timely availability of software and hardware or in service delivery in fulfillment of project milestones. Further, the technical offers of the three short-listed vendors (including TCS) were evaluated thoroughly by a committee led by an eminent IT expert and members from the Computer Science, Economics and Physics Department of the University. During technical presentation of the project in March 2006, the evaluation committee awarded a score of eight (in a scale of 10) to TCS on the criteria of "Education Domain Experience" and "Understanding of System Requirement Specifications of University of Mumbai". In this backdrop, casting doubt over the capabilities of TCS *post facto* (who was otherwise technically competent and the lowest) lacked rationale.

Thus, delay in procurement of requisite hardware and software coupled with failure of the University of Mumbai to drive the project in collaboration with the contractor led to suspension of the SAP-ERP project for 50 months and an unfruitful expenditure of ₹ 3.01 crore.

The matter was referred to the Government in July 2012; their reply was awaited as of January 2013.

Home Department

3.3.2 Avoidable financial liability

The Home Department incurred an avoidable financial liability of ₹ 78.81 lakh by inviting fresh tenders for body building on 42 number of troop carrier chassis after time lag of 17 months. While the new troop carriers remained unavailable for policing for significant period, the warranty on 42 chassis acquired between April and July 2010 at a cost of ₹ 3.15 crore expired in July 2011.

The Home Department (Department) sanctioned (March 2010) procurement of 63 troop carrier chassis and body building under the Centrally Sponsored Scheme of 'Modernization of Police Force'. The vehicles were to be used as troop carriers. The Director General of Police (DGP) placed orders (March 2010) with M/s Tata Motors Limited for supply of 63 chassis at a cost of ₹ 4.73 core[10]. The chassis were delivered between April and July 2010 with a warranty period of 12 months.

As per the annual procurement plan (2009-10) of the Department, the DGP invited (September 2009) tenders for body building on 21 out of 63 troop carrier chassis. A technical committee of the Department evaluated six bids received within the validity period (15 October 2009) and found only two bids[11] to be eligible. As only two bidders were eligible, the Department issued extension notice for submission of tenders in December 2009. Of the seven bids received during the extended period (11 January 2010), five bids were rejected on technical grounds. Audit observed that two bidders who were

[10] ₹ 7.51 lakh each as per DGS&D rate contract
[11] M/s Starline Motors Industries and M/s Anthony Garages

disqualified earlier and who resubmitted their bids, were treated as qualified though they did not meet the evaluation parameters of manual closed chamber, heating bulbs and exit fans.

The commercial offers of four[12] bidders (including two previously qualified bidders) were opened in February 2010 and the offer of M/s Sigma Auto Crafts Private Limited was found to be the lowest at ₹ 4 lakh per unit. Accordingly, the DGP placed a supply order (20 March 2010) on Sigma Auto Crafts for body building on 21 troop carrier chassis at a total cost of ₹ 84 lakh. It is pertinent to mention that Sigma Auto Crafts was one of the two bidders whose bids were initially rejected on technical grounds. As per supply order, Sigma Auto Crafts was required to complete the work within eight weeks. The work was, however, completed belatedly between June and December 2010 for which a penalty of ₹ 1.75 lakh was recovered in January 2011.

On release of further grants from the Department (March 2010), the DGP issued a repeat order (30 March 2010) on Sigma Auto Crafts for body building on the remaining 42 chassis, though the tender conditions stipulated repeat orders only to the extent of 25 *per cent* of the tendered quantity (five numbers)[13]. However, Sigma Auto Crafts communicated (May 2010) its inability to execute the repeat order and consequently, the DGP cancelled the order in December 2011. In the meantime, the DGP invited fresh tenders for body building on 42 chassis in November 2011 *i.e.* 17 months after Sigma Auto Crafts expressed its inability to execute the repeat order. The lowest offer of Antony Garages at ₹ 6.33 lakh per unit was accepted and submitted to the State Level Purchase Committee in March 2012 for approval which was pending as of August 2012.

Audit observed that there were no discernible reasons for the Department to invite fresh tenders after time lag of 17 months. In fact, as per tender conditions, the Department should have placed a repeat order on Sigma Auto Crafts for five chassis only at ₹ 4 lakh per unit and the requirements for the remaining 37 chassis should have been retendered simultaneously in March 2010, in order to take advantage of the offer of Antony Garages which was pegged at ₹ 4.20 lakh[14] per unit. By not following this viable route, the Department incurred an avoidable financial liability of ₹ 78.81 lakh[15]. Besides, 42 chassis procured between April and July 2010 at a cost of ₹ 3.15 crore[16] from Tata Motors Limited continued to lie idle, thus, depriving the Department of the benefit of warranty which had already expired between April and July 2011. The new troop carriers also remained unavailable for policing for significant period.

The matter was referred to the Government in May 2012; their reply was awaited as of January 2013.

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[12] M/s Starline Motors Industries, M/s Anthony Garages, M/s Sigma Auto Crafts and M/s Trimurti Enterprises

[13] 25% of 21 troop carrier chassis

[14] For 21 number of chassis, Antony Garages was the second lowest (after Sigma Auto Crafts) and his offer was valid up to 11 July 2010

[15] (₹ 6.33 lakh – ₹ 4.20 lakh) x 37 chassis

[16] ₹ 7.51 lakh x 42 chassis

Medical Education and Drugs Department

3.3.3 Idling of ventilators

Grant Government Medical College and Sir J.J. Group of Hospitals, Mumbai is saddled with 42 ventilators High End (ICU), procured centrally at a cost of ₹ 3.01 crore, for 33 months due to non-procurement of air compressor units.

Government of India (GoI), Ministry of Health and Family Welfare (MoHFW) launched (March 2006) the Pradhan Mantri Swasthya Suraksha Yojna (Scheme)with the objective to correct the imbalances in availability of affordable/reliable tertiary level of health care in the country in general and augmenting facilities for quality medical education in the under-served States**.** The Scheme *inter alia* envisaged up-gradation of 13 medical institutions through building up of super specialty blocks, trauma centres, nursing colleges, outpatient departments and procurement of medical equipment. Under the Scheme, the procurement of high end and common equipment costing ₹ 30 lakh and above was to be arranged by GoI upon receipt of indents from the beneficiary institutions.

Scrutiny of records of Grant Government Medical College and Sir J.J. Group of Hospitals, Mumbai (hospital) in July 2011 revealed that due to shortage of ventilators in the hospital and in order to cater to a large number of patients especially the poor section, the hospital submitted (July 2008) a proposal to MoHFW for supply of 42 ventilators[17] under the Scheme. GoI placed a purchase order (April 2009) on M/s Meditronics Manufacturing Company Private Limited, Mumbai (company) through M/s HLL[18] Lifecare Limited (procurement consultant) for supply of 151 ventilators High End (ICU) *ex-Argentina* at a total cost of USD 2.34 million, which included supply of 42 number for the hospital at a cost of USD 651,000 (₹ 3.01crore)[19].

Audit observed that while evaluating the technical specifications of the ventilators, the central technical evaluation committee did not include air compressor unit as an integral part of ventilator on the assumption that all the hospitals were equipped with compressed air supply line through a centrally operated compressor unit. The compressor was, therefore, included as an optional item in the tender enquiry. To an audit enquiry, the Dean of the hospital stated (August 2012) that the indent was submitted for 42 ventilators which was inclusive of compressor system. However, the hospital could not furnish any evidence to audit that the indent for ventilators placed on GoI was inclusive of air compressor system. Consequently, in the absence of air compressor system, 42 ventilators supplied by the company in December 2009 and installed by the hospital in June 2010 could not be made functional. The warranty on ventilators, which was valid for 24 months from the date of acceptance, expired in May 2012.

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[17] A ventilator is a vital life-saving equipment that helps a patient breathe in an emergency situation

[18] Hindustan Latex Limited (A Government of India Enterprise)

[19] USD 1 = ₹ 46.27 (Source: www.oanda.com; Historical Exchange Rates between April 2009 and December 2009)

Meanwhile, the Dean requested MoHFW (April 2010) to supply 42 compressors or a centralised air compressor system to enable the hospital to make the ventilators functional. The procurement consultant also took up the compressor issue with MoHFW in August 2010 and again in February 2011 to grant approval for procurement of 42 medical grade air compressor units by the hospital from the Scheme budget. The MoHFW, however, advised the hospital to procure the compressors from the institutional funds.

The hospital, accordingly, placed (February 2011) a purchase order on M/s Gunjan Surgical and Scientific Company, Mumbai (supplier) for supply and installation of a centralised medical air system at a cost of ₹ 71.46 lakh. As per the purchase order, the system was to be delivered within 12 weeks (May 2011). Audit further observed that though the system was supplied to the hospital in July 2011, it could not be installed due to non-completion of foundation and electrical works as of September 2012. As a result, 42 ventilators procured centrally by the hospital in December 2009 could not be made functional and put to use as of September 2012. Incidentally, though stipulated in the purchase order, the hospital did not obtain any bank guarantee (three *per cent*) and performance bank guarantee (five *per cent*) from the supplier on the plea that installation was not completed and no payment was released to the supplier.

Thus, lack of adequate planning and coordination between the hospital and MoHFW to include air compressor unit as an integral part of ventilator led to idling of 42 ventilators High End (ICU) procured at a cost of ₹ 3.01crore for 33 months (January 2010 to September 2012). Further, considering that warranty on 42 ventilators installed in June 2010 had already expired in May 2012, additional expenditure on repairs to these ventilators at the time of their installation and thereafter can also not be ruled out. Due to idling of new ventilators for prolonged period, the shortage of ventilators continues in the hospital, thus, depriving a large number of patients, especially the poor section of this vital medical facility.

The matter was referred to the Government in June 2012; their reply was awaited as of January 2013.