



**SPECIAL AUDIT REPORT  
ON  
MEDICAL FACILITIES IN  
PAKISTAN RAILWAYS**

**AUDIT YEAR 2016-17**

**AUDITOR GENERAL OF PAKISTAN**

## **PREFACE**

The Auditor General of Pakistan conducts audit in terms of Articles 169 and 170 of the Constitution of the Islamic Republic of Pakistan 1973, read with sections 8 and 12 of the Auditor General's (Functions, Powers and Terms and Conditions of Service) Ordinance 2001. The Special Audit of Medical Facilities in Pakistan Railways was carried out accordingly.

The Directorate General Audit Railways conducted Special Audit of Medical Facilities in Pakistan Railways during the year 2016-17 for the period July 2015 to June 2017 with a view to reporting significant findings to stakeholders. The audit was conducted to review the provisions and standards of Medical Facilities in Pakistan Railways hospitals, dispensaries and child welfare centres. Audit also reviewed whether efficient, timely and cost effective health care facilities were being provided to the Railway employees and their families. In addition, Audit also assessed, whether the management complied with the applicable laws, rules and regulations in managing Medical Department's affairs. The Special Audit Report indicates specific actions that, if taken, will help the management realise the objectives of Medical Department. All observations included in this report have been finalized in the light of discussion with the management. However, DAC meeting was not convened by the PAO despite reminders.

The Special Audit Report is submitted to the President of Pakistan in pursuance of Article 171 of the Constitution of the Islamic Republic of Pakistan 1973, for causing it to be laid before both houses of Majlis-e-Shoora (Parliament).

**Islamabad**  
**Dated:**

**(Javaid Jehangir)**  
**Auditor General of Pakistan**

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## Abbreviations and Acronyms

CCU	Curative Care Unit
CMO	Chief Medical Officer
CT Scan	Computerized Tomography Scan
CWA	Child Welfare Association
CWC	Child Welfare Centres
DCR tubes	Dacryocystorhinostomy Tubes
DDO	Drawing and Disbursing Officer
DMO	Divisional Medical Officer
DS	Divisional Superintendent
GM/WSI	General Manager, Welfare and Special Initiatives
ICU	Intensive Care Unit
IIMCT	Islamic International Medical College Trust
ISSAIs	International Standards of Supreme Audit Institutions
LDC	Lower Divisional Clerk
MGPR	Mughalpura
MO	Medical Officer
MOR	Ministry of Railways
MRI	Magnetic Resonance Imaging
MS	Medical Superintendent
OPD	Out Patient Department
OT Assistant	Operation Theater Assistant
POL	Petrol, Oil and Lubricant
PPRA	Public Procurement Regulatory Authority
PR	Pakistan Railways
SMO	Senior Medical Officer
TB	Tuberculosis
UDC	Upper Divisional Clerk
UNICEF	United Nations International Children's Emergency Fund

## EXECUTIVE SUMMARY

The Directorate General Audit Railways conducted Special Audit of Medical Facilities available in Pakistan Railways during May-June 2017 with a view to highlight systemic issues hindering performance of the audit entity. The main objective of special audit was to assess the effectiveness of the medical facilities in Pakistan Railways. The Special Audit was conducted in accordance with the ISSAIs.

The medical department comprises of eight hospitals, fifty dispensaries and twenty four child welfare centres on entire Pakistan Railways network. The quality of medical services suffers due to shortage of specialists/consultants, doctors and paramedical staff. Only 152 doctors, staff nurses and dispensers are working against the sanctioned strength of 304.

The physical and mental health of employees is directly related to the medical facilities. Medically fit employees enhance the operational performance. The Special Audit of Medical Facilities in Pakistan Railways was conducted to analyze the quality of medical facilities provided to PR employees and their families. Unfortunately, medical department of Pakistan Railways remained the most neglected department due to lack of support and attention of PR management. Resultantly, medical department is in a dismal condition.

### **Key audit findings**

- i. An amount of Rs 113.772 million was reimbursed to employees on account of medical charges due to insufficient medical facilities and under utilization of hospital's bedding capacity.<sup>1</sup>
- ii. Medical facilities to the travelling passengers and emergency services in case of train accidents were not provided.<sup>2</sup>

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<sup>1</sup> para 4.1.1

<sup>2</sup>Para 4.1.3

- iii. Acute shortage of specialists/doctors/paramedical staff resulted in non-provision of specialized medical services in PR hospitals.<sup>3</sup>
- iv. Excessive magnitude of referral of patients from Mughalpura hospital to Cairns hospital and other panel hospitals depicted unjustified expenditure of Rs 64.153 million on account of pay and allowances at Mughalpura hospital.<sup>4</sup>
- v. Budgetary allocation amounting to Rs 7.774 million during the year 2016-17 for purchase of medicines lapsed.<sup>5</sup>
- vi. Handing over of PR hospital in Rawalpindi under unfavourable contract agreement executed with International Islamic Medical Training Centre led to loss of Rs 13.696 million.<sup>6</sup>
- vii. Provision of diet not in accordance with agreed terms and quality by the contractor resulted in unjustified expenditure of Rs 7.443 million.<sup>7</sup>
- viii. Railway management procured medicines amounting to Rs 12.050 million with short expiry.<sup>8</sup>
- ix. Non-disposal of rubbish on daily basis and in covered vehicles by the conservancy contractor contrary to the terms and conditions of the contract agreement resulted in wasteful expenditure of Rs 34.304 million.<sup>9</sup>
- x. Hospital waste was not being disposed off properly.<sup>10</sup>
- xi. Non-availability of pathologist and latest laboratory equipment resulted in unreliable lab results.<sup>11</sup>

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<sup>3</sup>Para 4.1.6 & 4.1.7

<sup>4</sup>Para 4.2.1.2

<sup>5</sup>Para 4.2.4

<sup>6</sup>para 4.3.2

<sup>7</sup>Para 4.3.3

<sup>8</sup>Para 4.3.5

<sup>9</sup>Para 4.5.1

<sup>10</sup>Para 4.5.2

<sup>11</sup>Para 4.6.1

## **Recommendations**

- i. The closed units like surgical and operation theaters, ICU/CCU, TB ward, Gynae ward, Children ward etc. may be put into operation to reduce expenditure on account of referral/reimbursement of medical charges.
- ii. Suitably equipped Emergency Response Medical Teams may be formed to respond and manage quickly in case of train accidents.
- iii. Consultants/doctors/paramedical staff may be recruited for providing medical cover to PR patients.
- iv. Effective utilisation of human resource available at Mughalpura hospital be ensured to justify their pay and allowances.
- v. Responsibility for non-utilization and non-surrender of funds may be fixed and internal controls be strengthened to avoid recurrence.
- vi. Agreement executed with IIMCT may be revisited by deleting unfavourable clauses to save Pakistan Railways from extra financial burden.
- vii. Contractor may be bound to ensure quality food to the patients as per terms and conditions of agreement and suitably penalized where necessary.
- viii. Periodic procurement of medicines may be ensured for timely availability of quality medicines.
- ix. Prompt disposal of waste by the conservancy contractor according to terms and conditions of agreement may be ensured.
- x. Hospital waste management policy be devised for proper disposal of infectious waste.
- xi. Pathologist may be posted and adequate equipment may be provided in the laboratories for authentic and reliable test results.

## **1. INTRODUCTION**

The Medical Department was established to provide efficient, timely and cost effective health care to Railway employees and their families in order to promote health and well being in the working environment of Pakistan Railways within given resources. The Chief Medical and Health Officer is the Principal Officer of the Department. The Department has eight hospitals located at Peshawar, Rawalpindi, Lahore, Moghalpura, Multan, Sukkur, Karachi Cantt and Quetta. Railway employees and their families are getting free of cost treatment through these institutions. Pakistan Railways also has 50 dispensaries and 24 Child Welfare Centres which are headed by Divisional Medical Officers (DMO) in each division.

The main functions of Medical Department were:-

- i. Providing curative health care.
- ii. Preventive and promotive health care.
- iii. To attend Railway accident and other untoward incidences.
- iv. To provide emergency medical treatment to travelling passengers.
- v. Pre-employment medical examination of candidates to ensure that only fit and suitable entrants join service.
- vi. Periodical medical examination of serving employees to allow fit persons to continue their jobs related to train safety.
- vii. To conduct medical boards and other medical certifications of serving employees.
- viii. Continuously check the quality of drinking water and food made available at Railway Stations.
- ix. Ensure surface sanitation at Railway colonies and at Railway stations.

The Medical Department is governed by the rules/regulations of Pakistan Railways and Government of Pakistan.

## **2. AUDIT OBJECTIVES**

The main objectives of Audit were:

- i. To analyze and assess the availability of medical facilities in Railway hospitals/dispensaries and child welfare centres.
- ii. To assess economy, timeliness and quality of medical facilities provided to Railway employees and their families.
- iii. To check the emergency medical treatment provided to travelling public and in case of Railway accident and other untoward incidences.
- iv. To review periodical medical examination of serving employees specially related to safe train operations.

## **3. AUDIT SCOPE AND METHODOLOGY**

### **3.1 Audit Scope**

The Audit covered the operations of the medical department for the period from 2015-16 to 2016-17. Four divisions i.e. Karachi, Multan, Rawalpindi, Lahore alongwith Moghalpura workshops, Divisional Medical Offices, hospitals, dispensaries and Child Welfare Centres of Medical Department were visited for the purpose of audit.

### **3.2 Audit Methodology**

- i. Relevant files/documents as provided by the management were reviewed.
- ii. Visits were made to various locations of Railway hospitals.
- iii. Discussions with the management of different hospitals with respect to audit observation were carried out.

## **4. AUDIT FINDINGS AND RECOMMENDATIONS**

The results of Special Audit of Medical Facilities in Pakistan Railways are reported in the succeeding paragraphs.

## **4.1 Organization and management**

### **4.1.1 Avoidable expenditure on account of reimbursement of medical charges - Rs 113.772 million**

As per mission statement of Pakistan Railways the main functions of Medical Department include curative health care, preventive health care and promotive health care.

During special audit in May-June 2017, it was noticed that medical department incurred an unjustified expenditure of Rs 113.772 million on reimbursement of medical charges due to referral to other hospitals (serving and retired) during 2015-16 and 2016-17 (**Annex-A**). An amount of Rs 31.35 million was incurred on medical reimbursement during 2015-16 that was drastically increased to Rs 82.42 million during 2016-17 i.e. 162.903% higher as compared to previous year. This was mainly due to under utilisation of bedding capacity in Railway hospitals. Against the bedding capacity of 960 in eight Railway hospitals network, the turnout of Railway patients was at lower side ranging from 1% to 35% per day during 2015-16 to 2016-17 (**Annex-B**). Had the medical department of Pakistan Railways been strengthened by providing medical facilities and their proper utilisation, the huge expenditure of Rs 113.772 million on medical reimbursement would have been saved or at least minimized.

The matter was taken up with the Management in July 2017 and management replied that efforts were being made to improve the facilities in Railway hospitals. Due to that, patients being attended in OPD/Indoor and emergency were increased. However, advancement in medical technology and diagnostic facilities and increase in various life threatening illness had caused increase in expenditure on reimbursement of medical charges. The reply was not acceptable as no improvements had been made for provision of indoor/outdoor facilities in Railway hospitals.

DAC meeting was not convened by the PAO despite reminders.

Audit recommends that matter may be taken up at an appropriate level for developing policy regarding referring the patients to private

hospitals/clinics and minimizing the expenditure on account of reimbursement of medical charges.

#### **4.1.2 Non-arrangement of capacity building programs for doctors and paramedical staff**

Chapter-III of Year Book under Medical & Health Department provides special emphasis is being given for promotion of continued Medical Education of the Doctors and paramedical staff and post-graduation studies of doctors is now encouraged so that qualified specialist doctors are available for treatment of patients in Railway Hospitals.

During special audit, it was noticed that Railway administration had not arranged any capacity building program for doctors, paramedical and CWC staff since long. This resulted in non-availability of qualified specialists and well trained paramedical staff in Railway hospitals due to negligence of Railway management.

The matter was taken up with the management in July 2017 and management replied that doctors were given full opportunity to improve their knowledge/qualification in different areas. The reply was not acceptable because Railway medical department had neither arranged any training /refresher courses on its own nor nominated doctors and staff for trainings conducted by other organizations for capacity building of doctors and staff.

DAC meeting was not convened by the PAO despite reminders.

Audit recommends that a proper capacity building programme be initiated for doctors and paramedical staff to keep them up to date with regard to latest knowledge.

#### **4.1.3 Non-provision of emergency services and medical facilities to travelling passengers**

As per mission statement it is the responsibility of Railway management to provide medical facilities and emergency services to the travelling passengers.

During special audit, it was observed that medical department had not formed any emergency response team well equipped and trained to handle any emergency on the track. Furthermore, no medical facility was being provided to the travelling passengers in trains. The first aid box available with guard in-charge in brake van was attached at end of train which was out of reach of passengers. Moreover, the information regarding availability of medical facility in trains was not displayed in coaches for passenger's awareness. Thus, the medical department failed to achieve one of its main functions as per its mission statement due to callousness of management.

The matter was taken up with the management in July 2017 and management replied that the Railway doctors attend train accidents and follow up the patients till their discharge and first aid posts had been established at all major Railway stations where first aid was being provided to travelling passengers. The reply was not acceptable as ground realities were quite different and no efforts were made to provide first aid to the passengers while travelling and furthermore no facilities were available in Railway hospitals to handle such situation.

DAC meeting was not convened by the PAO despite reminders.

Audit recommends that SOPs for comprehensive emergency response may be developed along with formation of such teams at different divisions and awareness campaign may be launched for the knowledge of travelling passengers.

#### **4.1.4 Non-utilization of Gynecology department and services of Gynecologists at Mughalpura hospital**

Para 807 of Pakistan Railways General Code provides that every public officer should exercise the same vigilance in respect of expenditure

incurred from Government revenues as a person of ordinary prudence would exercise in respect of the expenditure of his own money.

During special audit, it was noticed that a full-fledged Gynae department was established in Pakistan Railways Hospital Moghalpura in 1993 but the same was lying closed since long due to non-availability of gynecologist and allied staff. Therefore, the working class residing in Railway colonies near the hospital remained deprived of this basic facility and patients were being referred to private or other hospitals causing financial burden to Pakistan Railways. Further the costly equipment installed in the operation theatre and gynae ward had been deteriorated.

Similarly, gynecologists were available at Cairns Hospital and Hassan Hospital Karachi, but only the services of normal delivery were being provided to the patients. Knowing these facts, patients did not visit these hospitals as in case of emergency no treatment could be offered to them. Audit is of the view that Railway administration was incurring wasteful expenditure on account of pay and allowances of gynecologists as required services were not being provided to the patients.

The matter was taken up with the management in July 2017 and management replied that the gynae department was not fully functional in these hospitals due to shortage of staff nurses. The process of induction of Staff nurses by FPSC had been completed and in due course of time these departments would be made fully functional. Besides, Gynecology department of Cairns hospital was fully functional under the supervision of qualified gynecologist and there was no sanctioned post of gynecologist in Railway hospitals Moghalpura and Multan. The reply was not convincing because required basic facilities like incubators, operation theatre assistants were also not available in the Railway hospitals.

DAC meeting was not convened by the PAO despite reminders.

Audit recommends that reasons for delay in filling the vacancies of doctors and staff may be explained and efforts be made for optimal utilization of resources.

#### **4.1.5 Provision of unhygienic food items and drinking water at Railway stations and in trains**

One of the main functions of Medical Department is to constantly check on quality of drinking water and food made available at Railway Stations and surface sanitation at Railway Colonies and at Railway Stations.

During special audit, it was noticed that DMOs/MOs were not performing their duties in respect of quality assurance of food items and drinking water available at Railway stations and in trains. For instance, DMO Lahore had not conducted a single inspection from July 2015 to May 2017 and the DMO Karachi had conducted only three inspections from July 2014 to August 2015. The slackness of management resulted in provision of unhygienic food items and drinking water at Railways stations.

The matter was taken up with the management in July 2017 and replied that regular inspections of food stalls at Railway stations were carried out by all DMOs/MOs in the divisions. The reply was not acceptable as audit observed that regular inspections of stalls and trains were not being carried out resulting in supply of unhygienic food items to the passengers and general public.

DAC meeting was not convened by the PAO despite reminders.

Audit recommends that matter may be inquired at an appropriate level to fix responsibility for non-inspection of eatables/drinks at Railway stations and action be taken against those held responsible. DMOs be directed to make inspection regularly.

#### **4.1.6 Non-provision of specialized medical facilities and non-availability of latest/adequate medical equipment in Railway hospitals and dispensaries**

The medical equipment plays a vital role in the diagnosis, monitoring and treatment of different kinds of medical conditions. These devices are designed to maintain safety standards in order to ensure the safety of patients and the absence of these medical tools could make the

situation detrimental to the lives of patients. Moreover, as per mission statement, medical department is to provide efficient, timely and cost effective health care to the Railway employees and their families in order to promote health and wellbeing among the working environment of Pakistan Railways.

During special audit, it was noticed that the medical department of Pakistan Railways was not equipped with sophisticated and adequate medical equipment and most of the medical equipment were out of order since long. Similarly, specialized medical services were also not available at Railway hospitals. Quality intensive care facilities were not available in Railway hospitals besides, surgical unit and operation theaters were also not functioning. Moreover, TB Ward, Female Ward, Children ward had been closed since long in Railway hospital Multan (**Annex-C**). Thus due to non-provision of specialized medical facilities and non-availability of adequate medical equipment in Railway hospitals and dispensaries, patients were not being treated properly. This happened due to negligence of management towards medical department.

The matter was taken up with the management in July 2017 and management replied that Medical department is continuously making efforts to improve medical facilities and to ensure availability of new and modern electro medical equipment. The reply was not correct as ground situation was in fact reverse of what the management was stating.

DAC meeting was not convened by the PAO despite reminders.

Audit recommends that matter may be investigated at the appropriate level for non-provision of medical facilities and non-availability of latest medical equipment in Railway hospitals and efforts be made to provide specialized medical facilities and equip hospitals with latest equipment.

#### **4.1.7 Acute shortage of specialists/doctors/paramedical staff**

The mission statement of medical department was to provide efficient, timely and cost effective health care to the Railway employees

and their families in order to promote health and wellbeing among the working environment of Pakistan Railways.

During special audit, it was noticed that the medical department of Pakistan Railways failed to provide medical facilities to Railway employees due to acute shortage of specialists/doctors/paramedical staff in Railway hospitals as well as in dispensaries. The enrolled position of medical staff depicted that total 1249 employees were working against the sanctioned strength of 1666, leaving a shortage of 417 employees including specialists, doctors, staff nurses etc. (**Annex-D**). Thus, medical department was unable to provide health care facilities to Railway employees and their dependents as per its mission statement due to non-availability of specialists/doctors/paramedical staff.

The matter was taken up with the management in July 2017 and management replied that process of induction of doctors/staff was being expedited. The reply was not acceptable as there was still acute shortage of specialists, doctors and paramedical staff leading to referral of patients to other hospitals.

DAC meeting was not convened by the PAO despite reminders.

Audit recommends that the recruitment of doctors and staff be made for provision of efficient and effective health care facilities.

#### **4.1.8 Wasteful expenditure due to non-professional behavior of doctors Rs - 18.400 million**

Para-1801 of Pakistan Railways General Code provides that means should be devised to ensure that every Railway servant realizes fully and clearly that he will be held personally responsible for any loss sustained through fraud or negligence on his part.

Contrary to the above, during special audit, it was noticed that the doctors in Railway Hassan hospital, Karachi were running OPD (Female, Paeds, Gynae, Male and Dental) by sitting in one room throughout the day. This caused great displeasure among patients. This not only increased waiting time for patients but also created negative impact on the reputation of the hospital. The Medical superintendent had also taken up the matter

multiple times and served explanations and warnings to doctors for non-observing hospital decorum and directed to conduct OPD by sitting in their respective rooms but it was not complied with.

Moreover, the performance evaluation of doctors regarding attendance of patients was conducted which demonstrated dissatisfied position. Total 20,350 patients visited the OPD in Hassan Hospital Karachi during the period 2015-17 and there were ten doctors in OPD to attend patients. This showed that each doctor attended three patients on average per day. The low visiting frequency of patients was due to the non-professional behavior of doctors as explained above. Therefore, the payment of Rs 18.400 million on account of pay and allowances of doctors was totally unjustified and wasteful (**Annex-E**). This happened due to weak human resource management.

The matter was taken up with the management in July 2017 and it was replied that the number of patients being attended in OPD was increasing as medicines were now available and were being provided to patients in OPD. The reply was not tenable as nothing had been stated about the attitude of the doctors.

DAC meeting was not convened by the PAO despite reminders.

Audit recommends that matter may be inquired at an appropriate level regarding non-professional behavior of doctors and not conducting OPD in their respective rooms and action be taken against the responsible. Human resource management be strengthened to avoid such recurrence.

#### **4.1.9 Irregular payment of pay and allowances due to mis-utilization of an employee – Rs 1.74 million**

As per Chief Personnel Officer letter dated 30<sup>th</sup> May, 2009, no employee should be utilized on job other than his own category/original posting. Moreover, Chief Personnel Officer's letter No. 220-E/Officer-IV (APO-IV) dated 06.12.2012 provides that the official who joined the medical establishment on transfer from other Railway formations are not entitled to draw health allowance equal to one basic pay of running salary.

Contrary to the above, during special audit, it was noticed that an LDC/BS-07 working under Works Branch, DS Office Lahore was temporarily transferred to Divisional Medical Officer, Lahore in April 2014. But he was actually working as Assistant to PS/Divisional Superintendent, Lahore irregularly. Later on, he was promoted as UDC BS-09 under Divisional Medical Officer, Lahore in February 2017 but he continued to work as Assistant to PS/Divisional Superintendent, Lahore instead of actual place of posting where there was already shortage of staff. This resulted in irregular payment of Rs 1.74 million (Rs 44,616 x 39 months) on account of pay and allowances including Health Allowance due to mis-utilization of employee up to June 2017. This happened due to weak controls.

The matter was taken up with the management in July 2017 and management replied that the matter related to DS Office, PR. Lahore and reply would be submitted on verification of facts from Divisional Superintendent, PR Lahore. But no reply was received till finalization of audit report.

DAC meeting was not convened by the PAO despite reminders.

Audit recommends that matter may be taken up at an appropriate level for mis-utilization of services and irregular payment of pay and allowances. Responsibility be fixed on the person found at fault and the official transferred back to parent department and health allowance be discontinued henceforth, and amount paid as health allowance be recovered.

#### **4.1.10 Issuance of fake psychological assessment reports**

As per Chief Operating Superintendent's letter dated 08.11.2016, the Additional General Manager Traffic ordered for conducting psychological examination of each Driver, Assistant Driver over Pakistan Railways (either due or non-due) by 31<sup>st</sup> December, 2016 on urgent basis. For that purpose, the psychologist in the panel of Cairns hospital was to be sent to all Divisions to conduct these tests. Moreover, as per performa of annual medical report of Cairns hospital Lahore the psychological

assessment of the employees is required to be conducted by the psychologist.

During special audit, it was noticed that the Psychologist of the Cairns hospital had not conducted the psychological assessment of the drivers and assistant drivers by visiting the divisions in complete disregard to above directives. Audit noticed that only assessment forms were sent by divisions to the psychologist upon which assessment report was prepared. Moreover, during annual medical examination psychological assessment of the employees had been done by the medical officer, Cairns hospital instead of psychologist which also made the annual medical examination report doubtful. The negligence of management resulted in issuance of fake psychological assessment reports by putting the lives of travelers at risk.

The matter was taken up with the management in July 2017 and it was replied that the psychological assessment was performed by the psychologist, Cairns hospital, Lahore. It might be possible that few assessments were carried out by the concerned Medical Officer and verified by the MS/Cairns hospital while the Psychologist was on leave. The psychological assessment of Drivers/Assistant Drivers had been carried out as per SOPs. The reply was not acceptable as fake psychological reports were prepared and psychologist did not visit divisions as required vide letter referred above.

DAC meeting was not convened by the PAO despite reminders.

Audit recommends that matter may be investigated to fix responsibility for issuance of fake psychological assessment reports and non-visiting of psychologist in divisions and strict action be taken against the responsible.

#### **4.1.11 Improper maintenance of Indoor Patients Register**

Para 807(1) of Pakistan Railways General Code provides that every public officer should exercise the same vigilance in respect of expenditure incurred from Government revenues as a person of ordinary prudence would exercise in respect of the expenditure of his own money.

During special audit, it was noticed that record of indoor patients admitted in Railway hospitals was not properly maintained as the columns of the register indicating employee No. disease, discharged date etc. were not filled. In the absence of said information the authenticity of entitled patients could not be verified and their period of stay in the hospital could not be determined. This happened due to weak controls.

The matter was taken up with the management in July 2017 and management replied that the indoor patient's record was maintained in the hospitals. However, hospital's administration had been strictly advised to monitor such practice. The reply was not correct as record was not being maintained properly.

DAC meeting was not convened by the PAO despite reminders.

Audit recommends that reasons may be explained for non-maintenance of proper record and action be initiated against the concerned staff. Proper maintenance of record be ensured.

## **4.2 Financial management**

### **4.2.1.1 Irregular expenditure on account of pay and allowances – Rs 11.912 million**

In pursuance to the Gazette Notification No. 5 dated 9<sup>th</sup> March 1934, a Child Welfare Association (CWA) was created and according to Clause-22 of the Rules of Association, no contribution was to be made to Association from the Railway revenues. The funds for running the Association were to be obtained from the Railway Staff Benefit Fund, from individuals, and from other sources.

Contrary to the above, during special audit, it was noticed that an expenditure of Rs 11.912 million was incurred from the revenue head of Pakistan Railways on the pay and allowances of staff posted in different offices of Child Welfare Association during 2015-16 and 2016-17 in violation of instructions (**Annex-F**). The incurrence of expenditure from revenue head was irregular and showed weak financial management.

The matter was taken up with the management in July 2017 and management replied that the staff of CWA was providing health services only to the Railway patients for which they were being paid very meager salary from the Railway revenue. However, the salary of the CWA staff was being arranged from Railway revenue since long. The reply was not convincing as the expenditure was irregularly met out from Railway revenue instead of Railway staff benefit fund, from individuals, and from other sources

DAC meeting was not convened by the PAO despite reminders.

Audit recommends that matter may be taken up at an appropriate level to fix responsibility for incurring expenditure from Railway revenue and amount involved be got regularized.

#### **4.2.1.2 Unjustified expenditure on pay and allowances – Rs 64.153**

Para 807(1) of Pakistan Railways General Code provides that every public officer should exercise the same vigilance in respect of expenditure incurred from Government revenues as a person of ordinary prudence would exercise in respect of the expenditure of his own money.

Contrary to the above, during special audit, it was noticed that a very small number of patients were being treated in the Railway hospital Mughalpura, Lahore and most of the patients were referred to Cairns hospital. During January 2016 to December 2016, 7242 patients were referred to Cairns hospital and other panel hospitals. This indicated that no proper medical treatment was available in the hospital. Therefore, expenditure incurred on account of pay and allowances to the staff of Mughalpura hospital amounting to Rs 64.153 million during 2015-16 and 2016-17 was unjustified (**Annex-F**).

The matter was taken up with the management in July 2017 and management replied that Railway patients were being treated in Railway Hospital, Moghalpura. The Reply was not acceptable because most of the patients were either referred to Cairns or other hospitals which was evident from record.

DAC meeting was not convened by the PAO despite reminders.

Audit recommends that either the doctors/staff be shifted to Cairns hospital or hospital be equipped with necessary medical facilities to avoid such wasteful expenditure on account of pay and allowances.

#### **4.2.2 Unauthorised expenditure due to non-reduction of budget allocation – Rs 9.956 million**

Clause 17 of the contract agreement dated 10.06.2004 executed between Pakistan Railways and Islamic International Medical College & Trust (IIMCT) Rawalpindi provides that Pakistan Railways would reduce the budget allocation for the hospital to fifty percent for the financial year 2001-02. This allocation would be maintained for five years up to 2006-07 and would be revised/reduced further from 2007-08 with mutual consent of the parties.

Contrary to the above, during special audit, it was noticed that the budget allocation for the hospital (excluding pay and allowances) significantly increased up to 311% from 2001-02 to 2016-17, instead of decreasing it as per agreement (**Annex-G**). This resulted in unauthorised expenditure of Rs 9.956 million due to mismanagement by Railway administration.

The matter was taken up with the management in July 2017 and management replied that GM/M&S had approved medicines budget for Rs 5.00 million in the 7<sup>th</sup> management committee meeting. This budget was reviewed in the 10<sup>th</sup> management committee meeting and decided to be kept at 5.00 million per annum. The reply was not acceptable because Rawalpindi hospital was privatized with the objective to provide free medical facilities to Railway patients and to reduce financial burden. But financial burden had increased due to increase in budget allocation.

DAC meeting was not convened by the PAO despite reminders.

Audit recommends that matter may be investigated at an appropriate level for unauthorised expenditure due to non-reduction of budget allocation which may be revised as per agreement. Expenditure in excess of required budget allocation be recovered from IIMCT.

#### **4.2.3 Non-fulfillment of Pre-requisites regarding reimbursement of medical charges – Rs 13.186 million**

As per Ministry of Railways circular dated 20<sup>th</sup> November, 2012 proper prescription be provided in original with the bills of reimbursement and in case patient is referred to any unauthorised hospital/private clinic by the authorised medical attendant, a copy of such referral letter may be attached with the claim. If the patient has got medical treatment from any unauthorised hospital/private hospital/clinic in emergency, he is required to provide emergency certificate from the treating doctor.

During special audit, it was noticed that an amount of Rs 13.186 million was irregularly paid to Railway employees on account of reimbursement of medical charges without fulfillment of prerequisite of claims i.e. distance certificate, referral letters, emergency certificates. This resulted in irregular reimbursement of medical charges amounting to Rs 13.186 million due to weak financial controls (**Annex-H**).

The matter was taken up with the management in July 2017 and it was replied that the deficiencies as pointed out would be investigated and rectified as per policy. However, further progress of the issue was not reported to Audit.

DAC meeting was not convened by the PAO despite reminders.

Audit recommends that matter may be inquired to fix responsibility for reimbursement of medical charges without fulfillment of prerequisites and action be taken against the responsible. Internal controls regarding reimbursement of claims be improved to minimize such instances in future.

#### **4.2.4 Lapse of funds under head purchase of medicines – Rs 7.774 million**

Para-436 of Pakistan Railways General Code stipulates that it shall also be the duty of the administration to see that the allotments made to them are fully expended, in so far as is consistent with economy and the prevention of large expenditure in the last months of the year for the sole

purpose of avoiding lapses. They shall be responsible for ensuring that money which is not likely to be needed during the year is promptly surrendered so as to allow of its appropriation for other purposes.

During special audit, it was noticed that due to ill planning for procurements required medicines could not be purchased by the management. This resulted in lapse of funds amounting to Rs 7.774 million during 2015-16 due to negligence and inefficient fund management (**Annex-I**).

The matter was taken up with the management in July 2017 and it was replied that the annual indents were timely placed to Director/S&P for purchase of medicines. The Director/S&P informed that payment could not be made due to DTL report and in the meantime due to closing of financial year the payment was stopped by the FA&CAO/M&S. Thus payment to the concerned firm could not be made. The reply was not acceptable because had the procurement process been initiated in time, lapse of funds could have been avoided.

DAC meeting was not convened by the PAO despite reminders.

Audit recommends that matter may be inquired at an appropriate level to fix responsibility for lapse of funds and action be taken against the responsible.

#### **4.2.5 Loss due to non-deduction of General Sales Tax - Rs 1.451 million**

As per sub clause 2 of clause 3 of SRO 603(1)/2009 dated 25th June, 2009 a withholding agent, other than a person in the jurisdiction of Large Taxpayers Unit and the recipient of advertisement services, shall deduct an amount equal to one fifth of the total sales tax shown in the sales tax invoice issued by a registered person and make payment of the balance amount to him.

During special audit, it was noticed that an amount of Rs 42.68 million was paid to the contractors on account of supply of diet and medicines and conservancy services during July 2014 to May 2017. But one fifth of the total sales tax was not deducted. This resulted in loss of Rs

1.451 million to public exchequer (**Annex-J**). This occurred due to negligence of the management.

The matter was taken up with the management in July 2017 but no reply was received.

DAC meeting was not convened by the PAO despite reminders.

Audit recommends that matter may be taken up at an appropriate level to fix responsibility for non-deduction of one fifth of total sales tax and action be taken against those held responsible.

#### **4.2.6 Irregular payment of conveyance/house rent allowance due to mis-utilization of TB Ward for residential purpose - Rs 0.96 million**

Para 7.77 (i) of DDO hand book stipulates that all employees posted at Islamabad, Karachi, Lahore, Peshawar, Quetta, Rawalpindi, Hyderabad (including Kotri), Multan and Faisalabad and not residing within their work premises are entitled to the Conveyance Allowance.

During special audit in May/June 2017, it was noticed that Dr. Tarique Ali Channa Medical Officer BS-17 working on contract basis had occupied the TB ward and residing there along with his family since February 2012. All utilities like electricity, water and sui gas were being utilised by him. Further, the officer was also drawing conveyance and house rent allowance irregularly. The drawl of allowances and utilisation of utilities was irregular as the officer was availing government accommodation. The detail of conveyance allowance, house rent allowance and non-recovery of utility charges.

<b>Sr.No.</b>	<b>Description</b>	<b>Period</b>	<b>Recoverable amount (Rs)</b>
1	Conveyance allow	2/2012 to 6/2017	349,720
2	House rent allowance	-do-	288,145
3	Utility charges	-do-	325,000
<b>Total</b>			<b>962,865</b>

The matter was taken up with the management in July 2017 and management replied that the matter related to D.S/KYC as allotment of accommodation was done by the DS. Further, T.B. patients were being attended in the hospital satisfactorily. The reply was not convincing as utilization of TB ward for residential purpose was not justified and was resulting in loss to Pakistan Railways.

DAC meeting was not convened by the PAO despite reminders.

Audit recommends that matter may be investigated to fix responsibility for allotment of TB ward for residential purpose and recovery of conveyance/house rent allowance and utility charges be made and action be taken against the responsible.

#### **4.2.7 Irregular drawl of Technical Allowance by Ambulance Drivers - Rs 0.069 million**

As per Chief Personnel Officer's letter No.561-E/161/RMI(APO-IV) dated 27.07.2015 Technical Allowance is admissible to employees of shed staff of Mechanical Cadre.

During Special audit, it was noticed that ambulance drivers working in the hospitals were being paid Technical Allowance in complete disregard to above quoted rules. This resulted in irregular payment of Rs 0.069 million from 01.01.2014 to 31.05.17 due to negligence and weak financial management. (**Annex-K**).

The matter was taken up with the management in July 2017 and management replied that the drivers of C&W shops, Moghalpura who were being paid technical allowance were transferred to Railway hospitals, to drive ambulances. The stoppage of any allowance to which they were entitled before their transfer was equal to change of their service conditions which may cause litigations. The reply was not acceptable as technical allowance was admissible only to employees of shed staff of mechanical cadre. Furthermore, these drivers were also drawing health allowance admissible only to employees of Medical Department.

DAC meeting was not convened by the PAO despite reminders.

Audit recommends that the responsibility be fixed and amount of technical allowance paid irregularly be recovered from the concerned under intimation to audit.

#### 4.2.8 High cost of laboratory tests

The medical equipment played a vital role in the diagnosis, monitoring and treatment of different kinds of medical conditions. These devices are designed to maintain safety standards in order to make ensure the safety of patients and the absence of these medical tools could make the situation detrimental to the lives of patients.

During special audit, it was revealed that lab equipment in Pakistan Railways hospitals were outdated due to which cost per test was too high as compared to other hospitals. As a test check the comparison of cost per test with Calorimeter (installed in Lab of Railway Hospital Karachi) was made with Micro Lab chemistry analyzer the results thereof were as under: -

Sr.No.	Test	Instrument	Per test cost (Rs)	Difference (Rs)
1	Urea	Calorimeter	32.50	24.37
		Micro Lab 300	8.13	
2	Cretonne	Calorimeter	20.00	15
		Micro Lab 300	5.00	
3	Sugar	Calorimeter	6.20	4.65
		Micro Lab 300	1.55	
4	Cholesterol	Calorimeter	32.80	24.60
		Micro Lab 300	8.20	
5	TG	Calorimeter	58.50	43.87
		Micro Lab 300	14.63	
6	Bilirubine	Calorimeter	29.00	14.50
		Micro Lab 300	14.50	
7	SGPT	Calorimeter	25	20.4

		Micro Lab 300	4.60	
8	Uric Acid	Calorimeter	45.00	33.75
		Micro Lab 300	11.25	

It was evident from above that Railway administration was incurring extra expenditure on lab tests due to old equipment causing extra financial burden on Pakistan Railways.

The matter was taken up with the management in July 2017 and management replied that Railway Hospital, Karachi had been provided with latest Hematology Analyzer, Semi-Automatic Chemistry Analyzer etc. and the laboratory of the hospital had been upgraded. The reply was not acceptable because out dated laboratory equipment were resulting in high costs of tests in all Railway hospitals including Karachi thereby wastage of financial resources.

DAC meeting was not convened by the PAO despite reminders.

Audit recommends that reasons may be explained for non-replacement of out-dated equipment and labs be updated immediately to save time and cost.

### **4.3 Procurement and contract management**

#### **4.3.1 Injudicious clause resulted in unjustified expenditure on account of electricity charges—Rs 3.266 million**

Clause 31 of contract agreement dated 17.08.1998 executed between Pakistan Railways and Islamic International Medial College & Trust (IIMCT) provides that cost of utilities (electricity, sui gas, telephone etc.) will be borne by the IIMCT either through sub metering or fixed charge mutually agreed by the parties.

Contrary to above, during special audit, it was noticed that during 2004 an injudicious clause was added in the contract agreement regarding payment of electricity charges up to 8,000 units per month by Pakistan Railways in contravention to above clause. Resultantly Pakistan Railways had to pay an amount of Rs 3.266 million on account of electricity charges

during the period from July 2015 to May 2017 (**Annex-L**). This happened due to weak contract management.

The matter was taken up with the management in July 2017 and management replied that the cost of electricity was being paid by PR and IIMCT as per initial agreement 1998 and IIMCT was bearing the additional burden being consumer and cost of above 8000 units was being paid by IIMCT. The reply was not convincing as payment of all utility bills/electricity charges was the responsibility of IIMCT as per the above clause being the consumer.

DAC meeting was not convened by the PAO despite reminders.

Audit recommends that matter may be inquired at an appropriate level to fix responsibility for injudicious inclusion of clause in the revised contract agreement regarding fixation of electricity share and action be taken against those held responsible. Amount involved may be recovered from IIMCT and agreement be revised to avoid further loss.

#### **4.3.2 Loss due to unfavorable amendments in contract agreement executed with IIMCT - Rs 13.696 million**

An agreement was executed between Pakistan Railways and IIMCT on 17<sup>th</sup> August, 1998 for improvement of status and standard of Pakistan Railways Hospital Rawalpindi to bring it up to the level of an excellent “Teaching Hospital” and in the larger interest of Railway and welfare of its employees at the cost and expense of IIMCT. The said hospital was required to be improved and upgraded to meet the standard and requirements of a teaching hospital without any financial burden whatsoever on the Pakistan Railways.

Contrary to the above, during special audit, it was noticed that some unfair clauses were added in the revised agreement dated 10.06.2004 against the interest of Pakistan Railways which caused extra financial burden. The detail is as under:

- a) As per clause-2 of contact agreement dated 17.08.1998, the IIMCT was required to provide specialized medical cover free of cost to the serving/retired employees of the Pakistan Railways, their

families and dependents as admissible. In the revised agreement dated 10.06.2004, a Clause-3 was added to limit the expenditure on reimbursement upto Rs 6.00 million and the burden of expense above this limit was transferred to Pakistan Railways. This resulted in an expenditure of Rs 11.12 million during 2015-17 against the interest of Railway (**Annex-M**).

- b) In the revised agreement dated 10.06.2004, clause-6 was added which imposed limitation on account of provision of medicines up to Rs 13.00 million to Railway patients. This was irregular and against the interest of Railways. The expenditure above this limit was borne by Pakistan Railways on account of reimbursement and caused additional financial burden of Rs 1.975 million during 2015-17 (**Annex-M**).
- c) As per clause-16 of revised agreement dated 10.06.2004, the IIMCT was required to pay Rs 0.6 million to Pakistan Railways on account of income accrued from private patients. Whereas, in the 7<sup>th</sup> Management Committee Meeting dated 9<sup>th</sup> June, 2008, the share of income from private patients was adjusted against the payment of sui gas charges to be paid by Pakistan Railways. Audit was of the view that payment of all utility charges was the responsibility of IIMCT as per agreement dated 17.08.1998 but due to unjustified amendment in the agreement Pakistan Railways was deprived off from their share of R 0.60 million.
- d) As per clause-1 of initial agreement, the agreement was renewable after every 5 years but this clause was deleted in the revised agreement dated 10.06.2004.

The above position showed that unjustified amendments were made in the revised agreement against the interest of Pakistan Railways, only to facilitate the IIMCT, which resulted in additional financial burden on Pakistan Railways.

The matter was taken up with the management in July 2017 and management replied that:

- (a) The purpose of addition of Clause-3 in the revised Agreement 2004 was to bind IIMCT to facilitate Railway patients.

- (b) The limit of medicines to be provided by IIMCT to Railway patients was Rs 0.5 million in initial agreement 1998 and subsequently, it was increased as per requirement and now IIMCT was providing medicines and consumables of Rs 13.0 million per annum to Railway patients.
- (c) This Para was previously pointed out by the audit and discussed in DAC and the amendment in the agreement was justified resultantly the Para was recommended for settlement.
- (d) The matter was taken up with IIMCT in the 13<sup>th</sup> Management Committee meeting and IIMCT had agreed to revise the agreement.

The reply was not acceptable as these clauses favored the IIMCT and Pakistan Railways had to bear extra financial burden.

DAC meeting was not convened by the PAO despite reminders.

Audit recommends that responsibility may be fixed for unfavorable amendments and appropriate action be taken against those held responsible. Efforts be made to amend the agreement in the best interest of Pakistan Railways.

#### **4.3.3 Wasteful expenditure due to supply of substandard diet by the contractors – Rs 7.443 million**

Clause 4 of contract agreement executed between Cairns Hospital and M/s Khan Traders for supply of raw material for diet provides that the contractor shall supply pure, unadulterated, fresh and whole articles of the best quality, and Clause 12 provides that consignment of raw material supplied will be subject to inspection by the inspecting officer of the Cairns hospital, Lahore.

Contrary to the above, during special audit, the quality of supply of raw material for diet to indoor patients in Railway hospitals, Karachi, Multan and Lahore was examined. It was noticed that the contractors supplied substandard and low quality bread, milk and cooking oil. Moreover, in Railway hospitals, Multan and Lahore no fruit was supplied

by contractor despite the fruit items were included in agreement (pictures attached) which was violation of terms and conditions of agreement. No inspection notes by any medical officer were available to certify the quality of diet material supplied by contractor in above hospitals. This showed that expenditure of Rs 7.443 million incurred during the period from July 2015 to May 2017 on account of diet to indoor patients was wasteful (**Annex-N**).

The matter was taken up with the management in July 2017 and it was replied that instructions had been given to all MSs/DMOs to follow diet plan and regularly check the diet material. The reply was not acceptable as no action was taken against the contractor and nominated doctors who did not check the quality of diet.

DAC meeting was not convened by the PAO despite reminders.

Audit recommends that matter may be inquired at an appropriate level for supply of low quality and substandard diet material and non-inspection by inspecting officer and responsibility be fixed on the persons held responsible. Quality of diet be ensured according to terms and conditions of the agreement.

#### **4.3.4 Unjustified expenditure on reimbursement/local purchase of medicines - Rs 13.096 million**

Clause-2 of contract agreement executed between Pakistan Railways and Islamic International Medical College Trust (IIMCT) dated 17.08.1998 provides that IIMCT would be responsible to provide specialized medical cover (indoor/outdoor) free of cost to the serving/retired employees of the Pakistan Railways and their families and dependents as admissible and presently available to them in terms of Railway Board's notifications issued time to time.

Contrary to the above, during special audit, it was noticed that Pakistan Railways incurred unjustified expenditure of Rs 13.096 million on reimbursement of medical charges and local purchase of medicines during the period of July 2015 to May 2017 (**Annex-O**). This showed that IIMCT was not providing medical facilities (indoor/outdoor) to Railway

patients as per terms and conditions of contract agreement which showed weak contract management.

The matter was taken up with the management in July 2017 and management replied that IIMCT was providing free of cost indoor and outdoor medical facilities including consultation, medical attendance, lab tests consultation and surgery. The reply was not acceptable because if the IIMCT was providing all medical facilities there would have been no expenditure on account of reimbursement / local purchase of medicines by PR.

DAC meeting was not convened by the PAO despite reminders.

Audit recommends that matter may be investigated at an appropriate level for non-provision of specialized medical facilities to Railway patients as per terms and conditions of contract agreement and all expenditure incurred on reimbursement and local purchase of medicines be recovered from IIMCT. IIMCT be directed to provide the specialized medical facilities as per contract agreement.

#### **4.3.5 Procurement of medicines with short expiry date – Rs 12.050 million**

Para-807(1) of Pakistan Railways General Code provides that every public officer should exercise the same vigilance in respect of expenditure incurred from Government revenues as a person of ordinary prudence would exercise in respect of the expenditure of his own money. Further, Para-1801 provides that means should be devised to ensure that every Railway servant realizes fully that he will be held personally responsible for any loss sustained by Government through negligence on his part.

Contrary to the above, during special audit, it was noticed that Railway management had made payment for purchase of medicines in June 2016. These medicines were delivered one year after payment in June 2017 with expiry date of June 2018. Due to short expiry date of one year, the issuance and utilization of medicines would be doubtful which

ultimately led to financial loss to Pakistan Railway because the officials would try to issue/dispose of medicines before expiry date (**Annex-P**).

The matter was taken up with the management in July 2017 to which no reply was received. DAC meeting was not convened by the PAO despite reminders.

Audit recommends that matter may be inquired at an appropriate level for delayed supply and short shelves life of medicines. Responsibility be fixed and action be taken against the responsible.

#### **4.3.6 Non-availability of specialists in Railway hospital Rawalpindi round the clock**

As per clause-15 of revised contract agreement dated 10.06.2014 executed between Pakistan Railways and Islamic International Medical College & Trust (IIMCT) Rawalpindi, in order to provide better specialized medical services, IIMCT will ensure availability of consultants/specialists round the clock.

Contrary to the above, during special audit, it was noticed that the consultants/specialists were not available as per their schedules. The issue of their non-availability was also taken up by the Medical Superintendent, Railway Hospital, Rawalpindi in different meetings of hospital coordination committee with IIMCT during the year 2015-16. The matter of availability of consultants/specialists round the clock was not resolved by IIMCT which caused inconvenience and distress to patients. Thus Railway employees failed to reap benefits of the contract due to weak contract management.

The matter was taken up with the management in July 2017 and management replied that consultants of IIMCT were on call round the clock. The Registrars, Post-graduate trainees were performing duty within the hospital to attend Railway patients. The reply was not acceptable as the specialist doctors were not available in the hospital as required under the agreement which was evident from the fact that this matter was also pointed out in different meetings by the MS.

DAC meeting was not convened by the PAO despite reminders.

Audit recommends that matter may be taken up at an appropriate level and action be taken against the responsible for violation of agreement's clause. Efforts be made to ensure availability of consultants for better medical treatment of Railway patients.

#### **4.4 Asset management**

##### **4.4.1 Inefficient/non-utilization of medical infrastructure**

Pakistan Railways has a full-fledged Medical Department to cater for the medical needs and requirements of serving and retired employees as well as their family members. As such, it is imperative to utilize the available resources to the optimum level.

Contrary to the above, during special audit, it was noticed that Pakistan Railways had sufficient infrastructure and incurred an average expenditure of Rs 570.77 million per annum. Despite incurring such a huge expenditure on medical department, most of the wards, dispensaries and child welfare centres were closed since long and were under threat of encroachment. The Railway management did not take any initiative for effective utilization of available medical infrastructure to attract private doctors, specialists and consultants through outsourcing/public private partnership (profit sharing etc.). Due to negligence of Railway management the medical department could not fulfill its mission statement; resultantly the quality of service in hospitals was badly affected.

The matter was taken up with the management in July 2017 and management replied that the facilities to Railway patients were being improved and there was increasing trend in number of patients visited OPD/ indoor and emergency. The reply was not convincing as most of the wards and even operation theatres were either closed or non-functional since long and no steps had been taken to make them functional.

DAC meeting was not convened by the PAO despite reminders.

Audit recommends that matter may be taken up at the appropriate level for non-utilization of medical infrastructure. Efforts be made for

efficient utilization and provision of medical facilities for employees. The option of public private partnership/outsourcing be explored.

#### **4.4.2 Improper storage of medicines – Rs 12.050 million**

Para 1801 of State Railway General Code Volume I provides that means should be devised to ensure that every Railway servant realizes fully that he will be held personally responsible for any loss sustained by Government through negligence on his part.

During special audit, it was noticed that Railway administration procured medicines valuing Rs 12.050 million during the period from July 2015 to May 2017. It was noticed that no air conditioning facility was available in store rooms to maintain the temperature at desired /optimal level for keeping medicines safe and useable. Further, no temperature meter was available which was prerequisite for storage of medicines. Due to non-availability of cooling system the medicines were stored in hot temperature which badly affected the efficacy of medicines. This happened due to poor inventory management.

The matter was taken up with the management in July 2017 and it was replied that all drugs were stored as per their requirement and no drugs had been affected due to non-provision of cold chain. The reply was not acceptable as ground situation was quite different as air conditioning and refrigeration facilities were not available in medical stores of Pakistan Railways.

DAC meeting was not convened by the PAO despite reminders.

Audit recommends that matter may be investigated at an appropriate level for improper storage of medicines and non-provision of cooling system for medicine storage. Efforts be made to provide air conditioning facility for proper medicine storage.

#### **4.4.3 Dilapidated condition of ambulances and their suspected mis-utilization**

The mission statement of medical department is to provide efficient, timely and cost effective health care to the Railway employees

and their families in order to promote health and well being among the working environment of Pakistan Railways. Further, Staff Car Rules 1980 provide that the vehicle log book shall be maintained by the officer in charge which shall form a permanent historical record of the staff car.

During special audit, it was noticed that medical department owned very old non-AC ambulances which created unrest during movement of patients. Oxygen cylinder and first aid kit/boxes were not available in most of the ambulances. Moreover, while reviewing the log books, it was observed that the log books of ambulances were not being maintained properly. The detail of discrepancies noticed during the review of log books of vehicles is given in **Annex-Q**. Due to the discrepancies in the log books, audit was of the view that the ambulances were misused due to connivance of staff.

The matter was taken up with the management in July 2017 and it was replied that the log books were available with all ambulances and entries were made and checked by the concerned in-charges. The reply was not acceptable as the log books were not maintained and signed. Moreover, most of the ambulances were not equipped with oxygen cylinder and first aid kit/boxes.

DAC meeting was not convened by the PAO despite reminders.

Audit recommends that condition of ambulances may be improved and equipped with necessary equipment. Log books be maintained properly to reduce the chances of misuse.

#### **4.5 Environment**

##### **4.5.1 Wasteful expenditure due to poor performance of conservancy contractor - Rs 34.304 million**

Clause 4 of sanitation/conservancy agreement provides that the contractor shall be required to remove rubbish daily and completely from station premises and Railway colonies dust bins by mechanical means in covered tractor trolleys and dump it to the dumping ground or any other area specified by the municipal corporation/district government from time to time. Moreover, Clause 28 provides that the contractor shall have to

produce two numbers truck/tractor trolleys and two drivers and eight coolies to report to the relevant authority before starting the work.

Contrary to the above, during special audit, it was noticed that the sanitation/cleanliness condition in Railway premises and colonies was not satisfactory. The contractors did not remove/collect garbage and rubbish from collection points of Railway premises and colonies on daily basis in covered vehicles. Moreover, the composition of conservancy staff deputed by contractors was also not according to terms and conditions of agreement. Therefore, the payment of Rs 34.304 million made to the conservancy contractors from July 2015 to May 2017 gone wasted (**Annex-R**). Further, conservancy contractors also collected the infectious waste of Railway hospitals. Instead of dealing the infectious waste and garbage separately, these were being disposed off collectively. This was against the health standards and happened due to negligence of the management.

The matter was taken up with the management in July 2017 and management replied that the work of sanitation/conservancy was carried out in the divisions. Instructions had been given to hospitals to dispose of hospital waste separately to avoid any health hazards. The reply was not acceptable as the conservancy contractors were not performing their jobs according to terms and conditions of agreement.

DAC meeting was not convened by the PAO despite reminders.

Audit recommends that matter may be taken up at an appropriate level for improving cleanliness condition of Railway premises and colonies, besides taking action against responsible the contractors. The infectious waste of hospitals be disposed off separately.

#### **4.5.2 Improper waste management and non-disposal of hospital waste**

As per SRO .1013(1)/2005 of Government of Pakistan Ministry of Environment every hospital shall be responsible for the proper management of the waste generated by it till its final disposal in accordance with the provisions of the Act and the rules 16 to 22.

During special audit, it was noticed that infectious hospital waste like disposable materials and equipment was scattered at different places of hospital and was not disposed off in complete disregard to above codal provisions. This created risk to the environment due to negligence of management.

The matter was taken up with the management in July 2017 and management replied that all Railway hospitals had been instructed to dispose of hospital waste separately to avoid health hazards. The reply was not acceptable as no hospital waste management policy existed for Railway hospitals and waste was not being disposed off properly.

DAC meeting was not convened by the PAO despite reminders.

Audit recommends that reasons may be explained for improper management and non-disposal of hospital waste. Responsibility be fixed and action be taken against the responsible. Proper waste management be ensured.

#### **4.5.3 Poor cleanliness situation of hospitals**

As per Chief Medical & Health Officer's letter No. CM&HO/Misc/Policy/2012 dated 06.11.2012 the cleanliness of the hospitals and dispensaries should be up to the mark. Trees and grass should be got trimmed in order to give good looking of the hospital environment.

During special audit, it was noticed that cleanliness of the hospitals and dispensaries was quite dismal. The garbage was scattered in the lawns and goats were grazing and manholes were without caps (Pictures attached). This showed that no efforts /attention was being paid towards cleanliness of the hospital premises.

The matter was taken up with the management in July 2017 and it was replied that the observation of the audit had been noted and all efforts would be made to ensure cleanliness of the hospitals. However, further progress of the issue was not reported to Audit.

DAC meeting was not convened by the PAO despite reminders.

Audit recommends that matter may be investigated to fix responsibility for poor cleanliness of the hospital premises and action be taken against the responsible.

#### **4.6 Sustainability**

##### **4.6.1 Unauthentic/unreliable laboratory tests due to non-availability of pathologists**

According to the Royal College of pathologists of Australia, the primary role of the pathologist is to perform or supervise tests on blood, other body fluids, body secretions and samples of tissue taken at surgery or as a part of a medical examination or autopsy. Where appropriate, the pathologist may render a clinical interpretation or consultation based on the results of the test. The pathologist has the ultimate responsibility for the test results, the quality and safety standards of the laboratory, advising clinicians on the interpretation of test results and the further investigation of the patient.

During special audit, it was noticed that 204,285 multiple kind of lab tests were carried out in the different Railway hospitals, by the respective Lab Assistants but no pathologist was posted in these hospitals to assess the quality of tests and safety standard of laboratories. As a result, it has become a normal practice in Railway hospitals to get several tests of patients from private labs /other government hospitals. This caused extra financial burden on Pakistan Railways due to negligence of management.

The matter was taken up with the management in July 2017 and it was replied that laboratory tests were performed by Laboratory Assistants who had got training and experience in Pathology. Therefore, the tests performed by them were authentic. The reply was not convincing as without consultation /supervision of pathologist, tests could not be considered as authentic.

DAC meeting was not convened by the PAO despite reminders.

Audit recommends that reasons may be explained for non-posting of Pathologists in laboratories. Action be taken for their posting so that

reliable lab reports be generated and referring the cases to private labs and other hospitals could be curtailed.

#### **4.7 Overall assessment**

The performance of medical department was unsatisfactory. The department was in miserable condition due to weak management and less allocation of resources. The focus of the management was not towards provision of adequate and quality medical services to the PR employees rather bulk of the patients were being referred to other hospitals. Majority of the observations noticed during special audit were related to underutilization of bedding capacity, defective contract management and lack of human resource management. Hence there is a due need to strengthen the department by hiring specialists and providing testing equipment.

### **5. CONCLUSION**

Audit concluded that there was shortage of latest medical equipment and the available infrastructure was also not fully utilized. Most of the units of Railway hospitals were non-functional. Mostly the patients were referred to other hospitals which caused reimbursement of heavy expenditure. Railway management did not have any capacity building program for doctors and paramedical staff which led to shortage of specialists. The medicines were substandard and stored in hot temperature and the cleanliness of hospitals was also not up to the mark. In short, the medical department had failed to perform its duties as per its mission statement.

#### **5.1 Key issues for future**

The shortage of specialists/consultants, doctors and paramedical staff should be recouped. For provision of improved health care facilities to Railway employees the programmes for development of professional behavior and capacity building of doctors and paramedical staff should be arranged. Latest medical equipment should be provided at Railway hospitals and dispensaries. Non-functional units of Railway hospitals, dispensaries and child welfare centres should be activated through public

private partnership. The provision of quality medicines and consumables be ensured. Cleanliness and hygienic condition of Railway hospitals and centres should be improved.

## **5.2 Lessons identified**

The medical department is the most neglected department of Pakistan Railways. The shortage of specialists/consultants, doctors and paramedical staff and non-availability of adequate medical instruments resulted in worsening the condition of medical department. The Non-professional behavior of doctors and paramedical staff created discomfort among Railway employees and also damage the goodwill of Pakistan Railways. The non-availability of health care facilities in Railway medical department also caused increase in medical reimbursement expenditure.

## **ACKNOWLEDGEMENT**

Audit acknowledged the support of the Chief Medical and Health Officer and his staff for their cooperation and assistance in providing the necessary information and record.

**Position of unjustified expenditure incurred on medical reimbursement during the year 2015-16 and 2016-17 (Para 4.1.1)**

**(Rupees in million)**

<b>Sr.No.</b>	<b>Description</b>	<b>Head of account</b>	<b>2015-16</b>	<b>2016-17 (Upto May 2017)</b>	<b>Total</b>
1	Medical charges (reimbursement-servicing)	A012-2(A01274)	25.789	46.323	72.112
2	Medical charges (reimbursement-retired)	A04106	5.564	36.096	41.660
	<b>Total</b>		<b>31.353</b>	<b>82.419</b>	<b>113.772</b>

## Under utilization of indoor bedding capacity in Railway Hospitals ( Para 4.1.1)

Sr.No.	Name of Railway Hospital	Bed capacity	No. of Patients treated during the year		Average per year Col: (4+5)/2	No. of Patients per day Col: (6/360)	% of patients Col: 8/3*100	Remarks
			2015-16	2016-17				
1	2	3	4	5	6	7	8	9
1	Railway hospital, Rawalpindi (IIMCT)	337	0	0		-	0%	Not provided
2	Cairns Hospital, Lahore	210	27481	25178	26,330	73	35%	
3	Railway hospital, Mughalpura	55	263	164	214	1	1%	
4	Railway hospital, Multan	83	826	800	813	2	3%	
5	Railway hospital, Karachi	120	1186	0	593	2	1%	
6	Railway hospital, Peshawar	30			-	-	0%	Not provided
7	Railway hospital, Sukkur	62			-	-	0%	Not provided
8	Railway hospital, Quetta	63			-	-	0%	Not provided
<b>Total</b>		<b>960</b>						

**Position of non-operational medical units in Railway Hospitals (Para 4.1.6)**

Sr.No.	Name of Hospital	Non-Operational/surgical unit section in different Railway Hospitals					
1	Hassan Hospital, Karachi	ICU/CCU	Surgical	Operation Theater			
2	Multan Hospital	ICU/CCU	Surgical	TB Wards	Female Wards	Children Wards	Operation Theater
3	Cairns Hospital, Lahore	CCU					

**Statement showing the shortage of specialists/doctors/paramedical staff  
(Para 4.1.7)**

BPS	Designation	Number of posts		
		Total	Filled in	Vacant
<b>Doctors</b>				
20	CM & HO	1	1	0
19	Dy: CMO	1	1	0
19	MSs	5	2	3
19	Specialist Cadre	5	0	5
18	Dy: MSs	3	3	0
18	DMOs	8	6	2
18	SMOs	45	26	19
18	Specialist Cadre	16	6	10
17	MO	79	44	35
17	Specialist Cadre	8	4	4
<b>Total</b>		<b>171</b>	<b>93</b>	<b>78</b>
<b>Paramedical staff</b>				
18	Matron	4	1	3
17	Sister Incharge	12	1	11
16	Staff Nurse	89	27	62
9	Dispenser (Male) & (Female )	91	55	36
9	Laboratory Assistant	6	3	3
9	X-Ray Assistant	1	0	1
8	ECG Assistant	2	2	0
8	Dental Assistant	1	0	1
8	Operation theater Assistant	3	2	1
7	Lab: Assistant	2	0	2
6	Dresser (Male & Female)	56	53	3
4	Nursing Orderly (Male & Female)	39	30	9
3	Anti-malaria-mate	1	1	0

1	Ward Servant (Male & Female)	143	116	27
1	Aya	32	31	1
1	Laboratory Attendant	7	6	1
1	Dental Attendant	1	1	0
1	Plaster Boy	1	1	0
1	O.T Attendant	2	1	1
1	X-Ray Attendant	2	1	1
17	Office Superintendent	2	1	1
16	Assistant Private Secretary	2	1	1
16	Blood Bank Supervisor	1	1	0
15	Stenotypist	7	4	3
14	Head Clerk	6	6	0
12	Welfare Inspector	1	0	1
11	Laboratory Assistant	5	3	2
11	X-Ray Assistant	1	0	1
10	Store Keeper	2		2
9	UDC	15	14	1
8	Store Keeper	2	0	2
7	Sanitary Inspectors	21	10	11
7	LDC	15	13	2
7	Media Maker	3	2	1
7	X-Ray Tech:	9	6	3
7	Sk. Motor Driver	3	3	0
5	Tailor	1	1	0
5	Store Issuer	1	1	0
5	Ambulance Driver	25	20	5
5	Record Lifter	2	1	1
5	Telephone Attendant	3	3	0
5	Sanitary Jamadar	21	14	7
5	Trailer Pump Driver	1	1	0
3	Head Jamadar	1	1	0
3	Nigran Muawan Safai	6	4	2

1	Chowkidar	57	45	12
1	Naib Qasid	17	17	0
1	Muawan Safai (Male& Female)	22	18	4
1	Bearer	13	11	2
1	Mali	10	7	3
1	Sweeper (Male & Female)/Medical	121	92	29
1	Cook (Male & Female)	14	13	1
1	Water man	2	2	0
1	Dhobi	11	11	0
1	Muawan	1	1	0
1	Drain Coolly	2	2	0
1	Sanitary worker	180	169	11
1	Store Muawan	1	1	0
1	Khakroobs	258	225	33
1	Khakroobs (Sanitation)	133	98	35
1	Store Coolly	1	1	0
1	Sweeper Jamadar	1	1	0
<b>Total</b>		<b>1495</b>	<b>1156</b>	<b>339</b>
<b>Grand Total</b>		<b>1666</b>	<b>1249</b>	<b>417</b>

**Number of patients attended by doctors in Hassan Hospital, Karachi during the period from July 2015 to May 2017 (Para 4.1.8)**

Sr.No.	Name of Doctor	No. of patients attended in outdoor	Average patient per month	No. of Patients per day	Average Pay per month (Rs)	Total pay for 23 months (Rs)	Remarks
1	Dr. Farooque Ali Memon	3450	150	5	80,000	1,840,000	
2	Dr. Naila Soomro	4563	198	7	80,000	1,840,000	
3	Dr. Faisal Bhangar	2888	126	4	80,000	1,840,000	
4	Dr. Abdul Samad	36	2	0	80,000	1,840,000	
5	Dr. Tehmina Jamali	2491	108	4	80,000	1,840,000	
6	Kehkashan Rabai Haider	1545	67	2	80,000	1,840,000	
7	Dr. Mehreen Zehra	5014	218	7	80,000	1,840,000	
8	Dr. Paras Manzoor	363	16	1	80,000	1,840,000	
9	Dr. Ayaz mir	0	0	0	80,000	1,840,000	
10	Dr. Tariq Ali Channa	0	0	0	80,000	1,840,000	
<b>Total</b>				<b>3</b>		<b>18,400,000</b> <b>18.400 (m)</b>	

**Annex-F**

**Pay and allowances of Mughalpura Railway Hospital and Child  
Welfare Centre (Para 4.2.1.1 and 4.2.1.2)**

**(Rupees in million)**

<b>Sr.No.</b>	<b>Description</b>	<b>2015-16</b>	<b>2016-17</b>	<b>Total</b>
1	Expenditure on account of Pay and allowances of doctors and staff	34.09	30.063	64.153
2	Expenditure on account of Pay and allowances of CWC staff			11.912
	<b>Total</b>			<b>76.065</b>

## Budgetary allocation of IIMCT during 2001 to 2017 ( Para No. 4.2.2)

(Rupees in million)

Sr.No.	Year	Budget Allocation	Budget allocation should be @ 50%	Excess budget allocation	Percentage increase
1	2001-02	2.269	1.1345	1.1345	-
2	2002-03	2.37	1.185	1.185	4%
3	2015-16	5.94	2.97	2.97	297%
4	2016-17	9.333	4.6665	4.6665	311%
<b>Total</b>		<b>19.912</b>	<b>9.956</b>	<b>9.956</b>	

## Irregularities observed in medical reimbursement cases ( Para 4.2.3)

Sr.No	Name of the patient	Date	Amount (Rs)	Irregularities
1	Mr. Faiz Muhammad Bughti PD	25.01.2017	1,244,770	No referral Letter Private treatment (Agha Khan university Hospital) No distance certificate. Reimbursement not equal to govt. rates.
2	Mr. Mukesh Kumar DEN	22.06.2016	109,950	No referral Letter Private treatment (Agha Khan university Hospital) No distance /emergency certificate.
3	Muhammad Bux Magsi ELC/D	27.01.2016	305,200	No referral Letter Private treatment (Tabba Heart Institute) No distance certificate.
4	Mr. Rafiq-ud-din Reservation Supervisor	22.03.2017	73,500	No referral Letter Private treatment (Patal hospital, Shahzad eye Hospital) No distance /emergency certificate.
5	Abdul Rauf Shah STE	24.02.2017	134,259	No referral letter
6	Muhammad Shafiq S Auditor	05.04.2017	41,298	No referral letter
7	Muhammad Asiq Hd trolleyman	30.05.2016	35,441	No referral letter
8	Mr. Robin Yamin SSP	04.03.2016	8,741	No referral Letter Private treatment. No distance certificate.
9	Mr. Fazal Mahmood APS to IG	22.03.2017	23,000	No referral Letter Private treatment (Omar Hospital). No distance certificate.
10	Abdul Rehman Compositor		1,557	Med-II not signed by the doctor
11	Tahirali Shah s Auditor		71,597	No referral Letter Private treatment. No distance certificate. Post facto case
12	Qazi Abdul Shakoor	02.09.2016	24,305	No referral ,lab investigation privately, post facto case

13	Muhammad Raiz S Auditor	14.12.2016	40,896	No referral Letter Private treatment (Doctors hospital). No distance certificate. Post facto case
14	Najam us Saeed Sports Inspector	20.09.2016	207,157	No referral Letter Private treatment (Doctors hospital). No distance certificate.
15	Mr. Sanwal khan channa	06.02.2017	94,400	No referral Letter Private treatment (Tabba hospital) No distance /emergency certificate.
16	Mr. Muhammad Iqbal Helper	02.06.2015	15,915	No referral Letter and emergency certificate available
17	Mr. Riazullah Khan DEFO/Power	04.06.2015	29,636	No referral Letter and emergency certificate available
18	Mr. Muhammad Kamran Gangman	27.02.2016	40,160	No referral Letter and emergency certificate available
19	Mr. Muhammad Suleman Driver	27.02.2016	95,342	No referral Letter and emergency certificate available
20	Mr. Muhammad Qasim Qureshi EX DG Planning	30.05.2015	5,107	Prescription and license no. not available
21	Mr. Kamran Assistant Driver	22.01.2016	79,500	No referral Letter available
22	Mrs Ghazala Memon SMO	29.05.2015	4,600	Reference Letter /emergency certificate and license were not available. Prescriptions on simple paper
23	Dr. Sohail Zahid	11.06.2014	4,187	Prescription on simple paper and cash memos without license no.
24	Mrs Ghazala Memon SMO	06.06.2015	4,932	Prescriptions not available and cash memos have no license no.
25	Malik Muhammad Imtiaz Chief Controller	19.02.2016	25,000	No referral Letter and emergency certificate available
26	Syed Abdul Saeed EX DPO /Kyc	02.06.2015	6,565	Cash Memo have no license no and doctor advised the medicines for five years
27	Mr. Tanveer Ahmad Electrician	01.06.2015	10,260	No referral Letter available

28	Mr. Iftikhar Ahmad STE	26.05.2015	12,000	Referral Letter not available and medicines were purchased on eight month old Prescription.
29	Mr. Hafeezur Rehman	06.06.2015	175,000	Referral Letter and some of the prescriptions were not available.
30	Mr. M. Arshad Umer ELC/Diesel	16.05.2015	13,000	Referral Letter and bills are not available
31	Mr. Iftikhar Ahmad STE	26.04.2015	12,000	Referral Letter and emergency certificate not available
32	Mr. Sultana Taj Ex Assistant Mistress	02.06.2015	90,179	Referral Letter and emergency certificate not available
33	Mr. M. Younis Head Constable	02.06.2015	137,245	Referral Letter not available.
34	Mr. Bashir Ahmad Rtd CMI	17.11.2016	84,000	No referral letter for Private treatment, post facto approval
35	Dr. Abdus Sammi	30.04.17	2,000	Tests were carried out privately instead of Railways
36	Mr. Zafarullah Kalwar DS	2016-17	62,683	Tests were carried out privately instead of Railways. Private treatment no referral letter
37	Mr. Riaz Ahmad Nasir	18.11.2016	197,040	No referral letter and distance certificate, private treatment and post facto sanction
38	Mr. Iqbal Shahid ASM	05.09.2016	84,000	No referral letter ,distance certificate, private treatment and post facto sanction
39	Mr. Rab Nawaz S Auditor	05.01.2017	4,376	No referral letter, private treatment.
40	Mr. Zafarullah Kalwar DS	07.05.2016	231,700	No referral letter, private treatment and post facto sanction
41	Dr. Sibte Hassan Gardezi	2015-16	23,714	Vouchers/Cash Memos without license nos.
42	Dr. Ejaz Hussain MO	2016-17	89,984	No prescription of treating doctor .Repeat of medicines by MO

43	DR. M . Ismail	09.06.2015	5,833	Vouchers/Cash Memos without license any. Tests from private Lab Agha Kahn
44	Mr. Mehta Hussain LDC	23.01.2014	65,726	No referral Letter. Treatment taken from Nester hospital whereas emergency certificate issued by the private doctor.
45	Dr. Maher Miner Aswan	11.04.2016	22,442	No distance certificate, treatment at private clinic
46	Dr. M. Tailem Qureshi	08.03.2017	20,075	Cash Memos have no license number. No prescription of treating doctor
47	Abdul Lateef AO	10.2016	283,588	Consultation at private clinic, Treatment at Doctors hospital and No referral letter& Distance certificate. Reimbursement not at Govt. rates
48	Dr. Aftab Iqbal MS	26.08.2013	673,683	Treatment at Doctors hospital and No referral letter& Distance certificate. Reimbursement not at Govt. rates
49	Mr. M. Iqbal EX MD /PRACS	22.09.16	379,883	Consultation at private clinic, Treatment at Shaukat Khanam and No referral letter& Distance certificate. Reimbursement not at Govt. rates
50	Mr. Munir Ahmad Chishti IG /Police	13.08.16	1,290,427	Treatment at different private hospitals and No referral letter& Distance certificate. Reimbursement not at Govt. rates
51	do	8.2016	2,336,043	Treatment at different private hospitals and No referral letter& Distance certificate. Reimbursement not at Govt. Rates. Prescriptions also not verified.
52	do	10.08.16	271,157	Treatment at different private hospitals and No referral letter& Distance certificate. Reimbursement not at Govt. Rates. Prescriptions also not verified.
53	do	10.16	2,111,542	Treatment at different private hospitals and No referral letter& Distance certificate. Reimbursement not at Govt. rates

54	Mr. Bilal Sarwar DGM	8.16	512,509	Treatment at different private hospitals and No referral letter& Distance certificate. Reimbursement not at Govt. rates
55	Syed Khaliq Hassan Welfare Inspector	11.2016	788,984	Treatment at private hospitals and No referral letter& Distance certificate.
56	M.Umer Razzaq Sub Engineer	12.2016	241,537	Treatment at private hospitals and No referral letter& Distance certificate.
57	Mr. Naseer Alvi GM Rtd	1.2017	226,260	Treatment at private hospitals and No referral letter & Distance and Emergency certificate.
	<b>Total</b>		<b>13,185,885</b> <b>13.186 (m)</b>	

**Annex-I****Lapse of funds for the year 2015-16 (Para 4.2.4)**

<b>Name of Office</b>	<b>Total Amount (Rs)</b>
DMO/PSC	793,296
DMO/RWP	82,735
MS/CH	2,370,383
DMO/LHR	631,426
MS/MGPR	599,910
DMO/MGPR	554,846
MS/MUL	592,289
DMO/SUK	355,872
MS/KYC	539,727
DMO/KYC	396,800
DMO/QTA	105,950
MD/PLF	326,951
MD/CFI	424,148
<b>Total</b>	<b>7,774,331 7.774 (m)</b>

## Non withholding GST from contractor's bills (Para 4.2.5)

Particulars	Period	Amount (Rs)	GST (Rs)	1/5 <sup>th</sup> GST required to be withheld (Rs)
M/s Taj Medicos Karachi	2016-17	2,455,876	417,499	83,500
M/s Ghulzar Medical Hall, Multan	2016-17	1,013,893	172,362	34,472
Moghalpura Hospital	2016-17	483,408	82,179	16,436
Hassan hospital (Diet)	2015-16	859,709	146,150	29,230
Cairns Hospital Lahore (Diet)	2016-17 (upto May, 2017)	5,748,350	977,220	195,444
Railway Hospital Multan (Diet)	2015-16 & 2016-17	834,771	141,911	28,382
Conservancy (Karachi)	2015-16 & 2016-17	12,860,017	2,186,203	437,241
Conservancy (Multan)	2015-16 & 2016-17	6,407,333	1,089,247	217,849
Conservancy (Lahore)	2015-16 & 2016-17	6,392,742	1,086,766	217,353
Conservancy (MGPR)	2015-16 & 2016-17	5,628,900	956,913	191,383
	<b>Total</b>	<b>42,684,999</b>		<b>1,451,290</b> <b>1.451 (m)</b>

<b>Position of irregular drawl of technical allowance by ambulance drivers (Para 4.2.7)</b>				
<b>Sr.No.</b>	<b>Name</b>	<b>Period</b>	<b>Per month amount</b>	<b>Amount (Rs)</b>
1	Ghulam Rasool Ambulance Driver	1.01.2014 to 31.01.16	(75x25)1,875	14,611
		01.02.16 to 31.05.17	(796x16)12,736	
2	Muhammad Hussain Ambulance Driver	1.01.2014 to 31.01.16	(75x25)1,875	15,059
		01.01.16 to 31.05.17	(824x16)13,184	
3	Iftikhar Ahmad Ambulance Driver	1.01.2014 to 31.01.16	(75x25)1,875	15,059
		01.02.16 to 31.05.17	(824x16)13,184	
4	Muhammad Fayyaz	1.01.2014 to 31.01.16	(75x25)1,875	15,203
	Ambulance Driver	01.02.16 to 31.05.17	(833x16)13,328	
5	Muhammad Hanif	01.01.14 to 31.05.17	(75x41)3,075	3,075
	Ambulance Driver			
6	Mohiud Din	01.01.14 to 31.05.17	(75x41)3,075	3,075
	Ambulance Driver			
7	Muhammad Sarwar	01.01.14 to 31.05.17	(75x41)3,075	3,075
	Ambulance Driver			
<b>Total</b>				<b>69,157 0.069 (m)</b>

**Electricity bills of Railway Hospital, Rawalpindi for the period from  
July 2015 to June 2016 (Para 4.3.1)**

<b>Sr.No.</b>	<b>Description</b>	<b>2015-16</b>	<b>2016-17</b>	<b>Total (Rs)</b>
1	Railway share upto 8000 units	2,079,379	1,186,121	<b>3,265,500</b>
2	IIMCT share over 8000 units	681,411	1,188,305	1,869,716
	<b>Total</b>	<b>2,760,790</b>	<b>2,374,426</b>	<b>5,135,216</b>

**Annex-M****Expenditure incurred on medical reimbursement by PR due to non-provision of medical facilities by IIMCT for the year 2015-16 and 2016-17  
( Para 4.3.2)**

<b>Sr.No</b> .	<b>Description</b>	<b>2015-16</b>	<b>2016-17</b>	<b>Total (Rs)</b>
1	Medical charges (reimbursement-serving)	3,037,005	4,933,691	7,970,696
2	Medical charges (reimbursement-retired)	1,615,837	1,534,544	3,150,381
3	Local Purchase of medicines	1,085,787	888,772	1,974,559
4	Share of income from private patients not paid to Railways			600,000
	<b>Total</b>	<b>5,738,629</b>	<b>7,357,007</b>	<b>13,695,636 13.696 (m)</b>

**Payment on account of supply of diet during the year 2015-16 and 2016-17 (Para 4.3.3)**

<b>Sr.No.</b>	<b>Name of Hospital</b>	<b>2015-16</b>	<b>2016-17 (Upto May 2017)</b>	<b>Total (Rs)</b>
1	Hassan hospital, Karachi	859,709	-	859,709
2	Railway Hospital, Multan	440,346	394,425	834,771
3	Cairn Hospital, Lahore	-	5,748,350	5,748,350
	<b>Total</b>	<b>1,300,055</b>	<b>6,142,775</b>	<b>7,442,830 7.443 (m)</b>

**Position of unjustified expenditure incurred on medical reimbursement by PR due to non-provision of medical facilities by IIMCT during the year 2015-16 and 2016-17 (Para 4.3.4)**

<b>Sr.No.</b>	<b>Description</b>	<b>2015-16</b>	<b>2016-17</b>	<b>Total (Rs)</b>
1	Medical charges (reimbursement-serving)	3,037,005	4,933,691	7,970,696
2	Medical charges (reimbursement-retired)	1,615,837	1,534,544	3,150,381
3	Local Purchase of medicines	1,085,787	888,772	1,974,559
	<b>Total</b>	<b>5,738,629</b>	<b>7,357,007</b>	<b>13,095,636</b> <b>13.096 (m)</b>

## Procurement of short expiry medicines by Director Store and Purchase (Para 4.3.5)

Sr.No.	Name of medicine	Purchase Order No.	Date	Amount (Rs)
1	Inj. Ranitidine 50 mg	Med/0027/06-C/2015	14.10.2015	32,916
	Inj. Vit.B Complex 25x3ml			25,500
2	Inj. Amoxicillin 500	Med/0027/06-A/2015	14.10.2015	1,500
	Inj. Com-Amoxiclave 1.2 mg			331,200
3	Inj. Metronidazole 500 mg	Med/0027/06-B/2015	14.10.2015	1,226,160
4	Inj. Diclofenic Sodium 75 mg	Med/0027/06-D/2015	7/11/2015	310,752
	Inj. Cefotaxime Sodium 500 mg			626,750
5	Inj. Insulin Regular	Med/0028/05/2015	28.01.2016	49,000
	Inj. Insulin NPH			12,250
	Inj. Insulin 70/30			1,004,500
6	Inj. Interferon Alpha 2 b	Med/0028/05-A/2015	28.01.2016	561,600
7	Disposable Syringe 3cc	Med/0028/02/2015	4/3/2016	504,810
	Disposable Syringe 5cc			1,059,030
8	Inj. Dextrose 5% + Saline 0.9 % Solution	Med/0028/06-A/2015	14.3.2016	58,370
9	Guaze Than 36" x 50 Yard (5 %+-)	Med/0028/08-A/2015	4/4/2016	45,000
10	Cotton wool 400 gram	Med/0028/08/2015	4/4/2016	321,750
	ECG Roll			9,450
11	Inj. Dextrose 5 % in water 100 ml	Med/0028/06/2015	1/4/2016	53,520
	Inj. Dextrose 5 % in water 500 ml			29,400
	Inj. Normal Saline 0.9% 1000 ml			4,370
	Inj. Ringer Lactate 500 ml			237,899
12	X-Ray film Size 12x15	Med/0028/12-A/2015	9/5/2016	214,400

13	Fixer (packing 10-L Made	Med/0028/12/2015	21.05.2016	48,360
	Developer			48,360
	X-Ray Film 14x17			190,850
	X-Ray Film 10x12			118,800
	X-Ray Film 8x10			81,200
14	Syp. Certizine 50 mg	Med/0028/03-A/1	25.05.2016	10,120
15	Syp. Amoxicillin 12g mg	Med/0028/03-B/2015	26.05.2016	136,219
16	Syp. Co-Amoxiclav 156.25 mg			124,850
17	Syp. Aluminium Hydroxide	Med/0028/03-C/2015	02.06.2016	120,851
	Syp. Xanthine			61,070
	Syp. Chlophenramine Melaeate			57,825
	Syp. Inophline 32 ml			177,300
	Syp. Salbutamol 2 mg			21,520
	Syp. Vit B Complex			14,213
18	Bandages 4x3 mtr	Med/0028/10/2015	16.06.2016	452,952
	Bandages 6x3 mtr			217,872
19	Branula No. 20	Med/0028/09/2015	08.06.2016	225,600
	Branula No. 22			76,800
20	Adhesive Plaster	Med/0028/10-A/2015	09.06.2016	255,816
21	ORS	Med/0028/03-C/2015	16.06.2016	210,822
	Sol. Povidone 7.5%			45,430
22	Cream Fusidic Acid 2 %	Med/0028/08-B/2015	16.06.2016	24,300
23	Inj. Amikacinsulphate 250 mg	Med/0028/08/2015	16.06.2016	10,000
	Inj. Vit B12 Mecobalamin 500 mg			10,625
24	Inj. Co-Amoxiclave 1.2 mg	Med/0028/08-D/2015	20.06.2016	133,110
25	Inj. 3rd Generation Ceftriaxone 500 mg	Med/0028/08-A/2015	20.06.2016	336,600
26	Inj. Ciprofloxacin 200 mg 100 ml	Med/0028/08-A/2015	20.06.2016	123,250
27	Tab. Paracetamol 500 mg	Med/0028/01-B/2015	20.06.2016	321,432
	Tab. Diclofenac Sodium			147,240
28	Inj. Omeprazole 100 ml	Med/0028/01-C/2015	21.06.2016	33,236
29	Tab. Flubeprofen 100 mg	Med/0028/01-B/2015	21.06.2016	30,870

30	Inj. Vitamin D 600000	Med/0028/08-C/2015	23.6.2016	60,000
31	Inj. Diclofenac Sodium 75 ml	Med/0028/01-A/2015	23.6.2016	78,561
	Cap. Esomeprazole 40 mg			40,040
32	Tab. Ofloxacin 200 mg	Med/0028/07-D/2015	27.6.2016	5,880
	Tab. Moxifloxacin 400 mg			57,480
33	Cap. Amoxicillin 250 mg	Med/0028/07/2015	24.6.2016	332,800
34	Tab. Metformin HCL 500 mg	Med/0028/07-/2015	27.6.2016	178,000
	Tab. Montelukast Sodium 5 mg			21,882
35	Tab. Ciprofloxacin 250 mg	Med/0028/07-B/2015	29.6.2016	114,550
	Tab. Levofloxacin 250 mg			72,000
36	Tab. Metronidazole 200 mg	Med/0028/07-C/2015	29.6.2016	57,040
	Tab. Salbutamol 2 mg			16,380
37	Tab. Acetylsalicylic Acid 300 mg			65,250
	Tab. Mefenamic Acid 250 mg			125,856
	Tab. Diclofenac Potassium 50 mg			5,360
	Tab. Ibuprofen 200 mg			49,800
	Tab. Ibuprofen 400 mg			137,475
	Tab. Cimetidine 200 mg			9,936
	Cap. Omeprazole 20 mg			34,314
<b>Total</b>				<b>12,050,224</b> <b>12.050 (m)</b>

**Position of non-maintenance of log books of ambulances (Para 4.4.3)**

<b>Sr.No</b>	<b>Name of Office</b>	<b>Discrepancies</b>
1	Railway Hospital Multan	Log book not on proper format
		Mostly Ambulance has been used for refilling of gas cylinders, local purchase etc.
		Column serial no. left blank which creates the chances of alteration of record.
		Average consumption of fuel not shown
2	DMO Office, Lahore	Average consumption of fuel not shown
		Meter reading column "from" was not filled.
		Column of POL "Drawn" left blank
		Column serial no. left blank which creates the chances of alteration of record.
		Purpose of journey has been mentioned as "for patient Official duty" but identification of patients has not been mentioned.
		As per bill no.832 dated 05.04.2017 the vehicle was repaired but log book is silent about this fact.
3	Cairns Hospital Lahore	Purpose of journey has been mentioned as "for patient use but identification of patients like employee no etc has not been mentioned which rendered the entries as unauthentic.
		Column serial no. left blank which creates the chances of alteration of record.
		Mostly Ambulance has been used for refilling of gas cylinders, etc.
		Log book has not been signed by the concerned.
4	Hassan hospital Karachi	Column serial no. left blank which creates the chances of alteration of record.
		Average consumption of fuel not shown

		<p>□ Purpose of journey has been mentioned as “for patient use but identification of patients like employee no etc has not been mentioned which rendered the entries as unauthentic. As a test check three patients were shown to carried to LPMC on 5,6 April 2017 but names of these patients were not appearing in Patients admission register.</p>
		Column of POL “Drawn” left blank
		Log book has not been signed by the concerned.
5	Railway hospital Moghalpura	Log book of one ambulance was not maintained.

**Expenditure incurred on conservancy works during the year 2015-16 and  
2016-17 (Para 4.5.1)**

<b>Sr.No.</b>	<b>Name of Division</b>	<b>Expenditure (Rs)</b>
1	Karachi	12,860,017
2	Multan	9,407,333
3	Lahore	6,407,333
4	Mughalpura	5,628,900
	<b>Total</b>	<b>34,303,583</b> <b>34.304 (m)</b>