

Performance Audit Report
on
Sindh AIDS Control Program
Health Department
Government of Sindh, Karachi
Audit Year 2019-20

(Financial Year 2011-12 to 2018-19)



AUDITOR-GENERAL OF PAKISTAN

**SERVING THE NATION BY PROMOTING ACCOUNTABILITY, TRANSPARENCY AND GOOD GOVERNANCE
IN THE MANAGEMENT AND USE OF PUBLIC RESOURCES**

FOR THE CITIZENS OF PAKISTAN

PREFACE

Auditor-General conducts audits subject to 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 audit of the "Sindh AIDS Control Programme" was carried out accordingly.

Directorate General Audit Sindh, Karachi conducted an audit of the Sindh AIDS Control Programme during January, 2020 for the period 2011-12 to 2018-19 with a view to reporting significant findings to stakeholders. Audit examined the economy, efficiency, and effectiveness aspects of the program. In addition, the audit also assessed, on a test-check basis, whether the management complied with applicable laws, rules, and regulations in managing the program. The audit report indicates specific actions that, if taken, will help the management realize the objectives of the program.

Audit findings included in this report have been finalized in the light of discussion during exit and DAC meetings.

The Audit Report is submitted to the Governor of Sindh in pursuance of Article 171 of the Constitution of the Islamic Republic of Pakistan 1973, causing it to be laid before the Provincial Assembly.

Islamabad
Dated:

Muhammad Ajmal Gondal
Auditor-General of Pakistan

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ABBREVIATIONS AND ACRONYMS

ADP	Annual Development Plan
AGPR	Accountant General Pakistan Revenues
AIDS	Acquired Immune Deficiency Syndrome
AKU	Aga Khan University
ANC	Antenatal Care Surveillance
ART	Anti-Retroviral Therapy
ARV	Antiretroviral
CBOs	Community Based Organizations
CD-4	Cluster of Differentiations
CDC	Centre for Disease Control
CGA	Controller General of Accounts
CHBC	Community and Home-Based Care
CIDA	Canadian International Development Agency
CIDA-HASP	Canadian International Development Agency-HIV/AIDS Surveillance Project
CNIC	Computerized National Identity Card
CPC	Central Procurement Committee
DAC	Departmental Accounts Committee
DAO	District Accounts Officer
DDO	Drawing and Disbursing Officer
DHQ	District Head Quarters
DNA	Deoxyribonucleic Acid
DPM	Deputy Program Manager
ECNEC	Executive Committee of National Economic Council
FSW	Female Sex Workers
GFATM	Global Fund to fight AIDS, TB and Malaria
GFR	General Financial Rule
GMC	General Medical Council
GOS	Government of Sindh
GST	General Sales Tax
HIV	Human Immunodeficiency Virus
HMIS	Health Management Information System
HSW	Hijra Sex workers
HTC	HIV Testing & Counselling
IBBS	Integrated Biological and Behavioral Surveillance
IDUs	Injecting Drug Users

IEC	Information Education and Communication
INTOSAI	International Organization of Supreme Audit Institutions
JPMC	Jinnah Post Graduate Medical Centre
KMC	Karachi Metropolitan Corporation
M&E	Monitoring & Evaluation
MARA	Most at Risk Adolescent
MARP	Most at Risk Population
MIS	Management Information System
MOU	Memorandum of understanding
MSM	Men having Sex with Men
MSW	Male Sex Workers
NACP	National AIDS Control Programme
NGO	Non-Governmental Organization
NPA	Non-Practicing Allowance
OWs	Outreach Workers
PAO	Principal Accounting Officer
PC-I	Planning Commission-I
PLHIV	People Living with HIV/AIDS
PMCH	Peoples Medical College Hospital
PPTCT	Program for Prevention of Mother-to-Child Transmission
PWID	People Who Inject Drugs
RBUT	Roy Bahadur Udandas Tara Chand
RNA	Ribonucleic Acid
RT-PCR	Reverse-Transcription-Polymerase Chain Reaction
SACP	Sindh AIDS Control Program
SBA	Shaheed Benazirabad
SDPs	Service Delivery Packages
SPPRA	Sindh Public Procurement Regularity Authority
STI/STD	Sexually Transmitted Infection/Diseases
TB	Tuberculosis
TFHCCs	Task Force on Human Centered Computing
VCCT	Voluntary Confidential Counselling and Testing
WHO	World Health Organization

EXECUTIVE SUMMARY

Directorate General Audit Sindh conducted a performance audit of the Sindh AIDS Control Programme during the month of January 2020. In terms of the performance of the program, the objectives of the performance audit were to check whether the resources were utilized economically, efficiently, and effectively to achieve project objectives; evaluate project design and execution as to whether it was adequately planned. The audit was conducted in accordance with International Organization of Supreme Audit Institutions (INTOSAI) Auditing Standards.

The Sindh AIDS Control Programme (PC-I) was established in 1995 by the Health Department of Sindh, with a total allocation of Rs. 19.537 million from the Provincial Government of Sindh and Rs. 35.825 million from the National AIDS Control Program until June 2001. The program has three main components: interventions, advocacy/communication, and social mobilization. The overall aim is to halt new HIV infections and prevent the spread of HIV/AIDS among the general population in Sindh. During the performance audit, many audit observations were made; however, the main observations are:

Key findings:

1. non-achievement of targets as per PC-I,
2. non-execution of Service Delivery Packages (SDPs),
3. reported increase of HIV/AIDS patients,
4. failure in governance & the institutional framework of the HIV Response,
5. ineffective working of treatment centers,
6. payment in contradiction to the observations of the Monitoring Committee,
7. procurement of material before establishment of centers,
8. non-follow-up of 1629 HIV patients, put the public at risk.

Recommendations

The management is required to:

1. execute and implement the set targets of PC-I on an urgent basis, being sensitive matter,
2. operationalize and fully implement Service Delivery Packages for effective prevention of diseases, awareness, and prompt treatment of HIV/AIDS patients,
3. reverse the increased trend of infection among the target population,
4. ensure implementation of governance and the institutional framework of the HIV response,
5. ensure availability of key human resources in treatment centers,
6. strictly comply with the recommendation of the monitoring committee,
7. timely procure items for efficient utilization,
8. strictly ensure follow-up of HIV patients to minimize the risk of spread

1. INTRODUCTION

1.1 Background:

AIDS (acquired immunodeficiency syndrome) is a disease of the human immune system caused by the HIV (human immunodeficiency virus). The HIV-positive person receives an AIDS diagnosis after developing one of the Centres for Disease Control's (CDC) defined AIDS indicator illnesses. Over time, infection with HIV can weaken the immune system to the point that the system has difficulty fighting off certain infections. Genetic research indicates that HIV originated in west-central Africa during the late nineteenth or early twentieth century. AIDS was first recognized by the United States Centres for Disease Control and Prevention in 1981, and its cause, which is the HIV virus, was identified in the early part of the decade.

There is no cure or vaccine; however, antiretroviral treatment can slow the course of the disease and may lead to a near-normal life expectancy. Antiretroviral treatment also reduces the risk of death and complications associated with this deadly disease. These medications are expensive and have side effects. Without treatment, the average survival time after infection with HIV is estimated to be 6 to 8 years, depending on the HIV subtype and the immunity of the infected person.

Status of HIV/AIDS epidemic in Pakistan

In South Asia, Pakistan stands only a few steps behind India and Nepal in terms of the HIV epidemic that has gripped Pakistan with unprecedented intensity and magnitude during the last few years, especially among people who inject drugs (PWID) and MSM (Men sex with men). Pakistan's first reported case of HIV occurred in 1986 at Karachi among an African Sailor, while in 1987 among a Pakistani national at Lahore. Until the late 1990s, most subsequent cases occurred in men who had become infected while living or working abroad.

Status of HIV/AIDS epidemic in Sindh

Sindh is among the first provinces in the country to have reported HIV/AIDS cases in the mid-1980s, and it now bears near about 35% to 40% of the HIV/AIDS

epidemic present in Pakistan. A concentrated phase of the epidemic has been reached among PWIDs and MSWs. The epidemic started in the capital, Karachi, and then spread to other cities. The ratio of HIV/AIDS in Karachi is near about 80% of total HIV/AIDS cases reported in Sindh. The major high-risk groups of HIV/AIDS prevalence are people who inject drugs (PWID), Hijra sex workers, male sex workers, female sex workers, jail inmates, long-distance truck drivers, children born to infected parents, street children, and victims of unsafe medical procedures.

To address the crisis that would result from an HIV/AIDS outbreak, the Sindh government passed and promulgated the Sindh HIV and AIDS Control Treatment and Protection Act, 2013 to control the transmission of HIV and AIDS and to undertake measures for the treatment, care, and support of persons living with HIV and AIDS and to provide for matters ancillary thereto in the Province of Sindh.

1.2 Sindh AIDS Control Programme

Health Department, Government of Sindh is putting forth its utmost efforts since the inception of HIV/AIDS intervention in Sindh and has proceeded with great efforts from year to year, project to project, and policy to policy. The Health Department, Government of Sindh, established Sindh AIDS Control in 1995 exclusively from its own resources. (Sindh Government ADP). The total allocation from the Provincial Government of Sindh was Rs. 19.537 million, while the program had also received a total of Rs. 35.825 million from the National AIDS Control Program till June 2001.

In the year 2003-2009, like the National AIDS Control Program, HIV/AIDS intervention in Sindh was also scaled up with a credit deal with the World Bank for the period 2003-2008 at the cost of Rs. 516.638 million. This program was later ended on December 31, 2009, after an extension period of 18 months from the World Bank. During the extension phase, on advice of the World Bank, a revised PC-I for another five years (2008–2013) was prepared for the national and all provincial HIV/AIDS control programs.

The World Bank, despite its commitment and approval of Revised PC-I (2008-2013) from the Executive Committee of the National Economic Council (ECNEC),

changed its priorities and regretted providing further financing to approved and committed HIV/AIDS prevention activities in Pakistan. At this stage of financial crunch and sudden closure of World Bank financing, the Health Department, Government of Sindh, instead of giving up on this adversity, decided to stand up and take the challenge heads on. During this interim period, the Government of Sindh provided a sum of Rs. 42.462 million as bridge financing from January 2010 onwards for the period FY 2010-2011 from its own ADP to cover the operational cost and continue the ongoing interventions till the placement of new PC-I (2011-2014 & 2016-19).

However, the target was assigned to develop a revised PC-I on war footings for 3 years (FY 2011-2014) through its own ADP, and Sindh became the first province in Pakistan at that stage, which had its own approved PC-I of Rs. 637.161 million after withdrawal of World Bank financing. However, another PC-I of Rs. 1633.338 million was prepared and approved for the other 03 years (FY 2016-2019). The PC-I was categorized into three main components, namely:

1. Interventions that include targeted interventions for most-at-risk and bridge groups, HIV care and support, and operational costs of HIV care and support centers (personal).
2. Advocacy, communication, and social mobilization that comprises advocacy, communication, and stigma reduction campaigns and social mobilization.
3. Governance & Institutional Framework of Response, which includes governance, capacity building of personnel for the provincial reference laboratory, operational expenses for the HIV/AIDS referral lab, purchases of physical assets, personnel for program management, operational expenses, monitoring and evaluation (personnel), program M&E activities, trainings related to M&E, and surveillance-mapping.

Aim: The overall aim of this PC-I is to halt new HIV infections and prevent the spread of HIV/AIDS among the general population in Sindh over the period of the next three years, i.e., during FY 2016-2019.

1.3 Objectives of the Programme:

- i. To decentralize the HIV/AIDS response at district level by developing district family health centers and the active role of district government and administration in the implementation and monitoring of HIV-related interventions and Service Delivery Packages.
- ii. To conduct high-level advocacy with policymakers and decision-makers for more political commitment and ownership in terms of the establishment and enforcement of programs and policies.
- iii. To coordinate a multisectoral, comprehensive, and sustainable response to HIV that is based on evidence, transparency, and accountability through the active role of district government, administration, civil society, and the target beneficiaries in the implementation and monitoring of HIV-related interventions and Service Delivery Packages.
- iv. To control or reverse the spread of HIV among the most at-risk population/high-risk in accordance with the targets set for interventions and to keep the epidemic from establishing among the bridging groups and the general population below 1%.
- v. To create an enabling environment so that people living with HIV can access medical, social, and support services free of charge without stigma and discrimination, and adherence to ART reaches 90%.
- vi. To control the incidence of HIV/AIDS by decentralizing the response at district level through the development of family health centers and placement of Service Delivery Packages for the most at-risk population by the end of FY 2016-17.
- vii. To control or reverse the spread of HIV among the most at-risk population by placing time-tested tools of prevention to keep the epidemic from establishing among the general public below 1%.
- viii. To coordinate a multisectoral, comprehensive, and sustainable response to HIV that is based on evidence, transparency, and accountability through the active role of district government, administration, civil society, and the target beneficiaries in the implementation and monitoring of HIV-related interventions and Service Delivery Packages.

- ix. To conduct high-level advocacy with policymakers and development partners for more political commitment and ownership in terms of the establishment and enforcement of programs and policies.

Beneficiary: Population of Sindh Province

Time phasing: As per PC-I of the program, the execution period of the program was 2011-12 to 2018-19.

1.4 Program releases and expenditures:

The following is year-wise allocation as per PC-I, actual releases, and expenditure position as of 30th June 2019.

(Rs. in Million)

Year	Allocation as per PC-I	Release by Finance Department	Expenditure incurred	Amount Surrenders	Utilization % against Release
2011-12	120.60	80.00	52.10	27.90	65.12%
2012-13	252.76	122.75	89.56	33.19	72.96%
2013-14	263.80	130.00	89.82	40.11	69.09%
2014-15	-	83.94	77.62	6.30	92.47%
2015-16	-	100.00	89.24	10.76	89.24%
2016-17	-	-	-	-	0.00%
2017-18	303.00	225.65	120.07	105.58	53.21%
2018-19	529.06	162.10	96.04	66.56	59.25%
Total	1,469.22	904.43	614.44	290.40	67.94%

Financed by: Government of Sindh through Finance Department

Program Stage: The date of the program has been completed on 30th June 2019. However, despite the close of the program, there was a savings/unutilized balance of Rs. 290.40 million. So far, the program management has requested to the Planning & Development department for an extension of the date of the program.

Achievements of the Programme: As per the Sindh AIDS Control Programme, the following were the achievements of the Programme:

- i. Formulation and Notification of Sindh HIV/AIDS Control, Treatment & Protection Act, 2013.
- ii. Development of a Provincial Data Processing Unit with the help of CIDA-HASSP.
- iii. Establishment of an information resource center linked with the digital library of Dow University of Health Sciences.
- iv. Development of a Mobile Information Resource Center equipped with multimedia, television, and short films on HIV/AIDS.
- v. Initiation of Harm Reduction Service Delivery Packages for Marginalized/Most at-Risk Population at Karachi, Hyderabad, Sukkur, and Larkana.
- vi. Research and IBBS Survey (Integrated Biological and Behavioral Surveillance in Sindh).
- vii. Small grants for support to people living with HIV/AIDS.
- viii. Free of charge diagnostic and treatment services.
- ix. Availability of services to some of the cities of Balochistan province, having geographical affinity with Karachi.
- x. Enabling environment and elimination of stigma and discrimination through innovation and active participation of people living with HIV/AIDS and the most at-risk population.
- xi. Employment for HIV-positive personnel at treatment centers.
- xii. Employment opportunity to marginalized populations like PWIDs, MSWs, HSWs, and female sex workers in different Service Delivery Packages.
- xiii. Series of dinner and candlelight gatherings with the Provincial Governor, Chief Minister, Ministers, Chief Secretary, and other officers of the health department.
- xiv. Series of cricket matches with Showbiz people.

- xv. Donkey Cart and Ship rallies.
- xvi. Series of HIV/AIDS awareness camps at large public gatherings during Urs of Sufi saints.
- xvii. Participation of people living with HIV/AIDS and marginalized populations in national and international meetings and conferences.
- xviii. Status as Sub Recipient (SR) for the second phase of Global Fund Round-9 in Sindh.

2. AUDIT OBJECTIVES

- 2.1** To evaluate whether resources were utilized economically, efficiently, and effectively to achieve project objectives.
- 2.2** To evaluate project design and execution strategy.
- 2.3** To ascertain the appropriateness of internal control mechanisms and reconciliation.
- 2.4** To evaluate the effectiveness of the project's surveillance and monitoring system.
- 2.5** To check whether there was rapid diagnosis and treatment of patients in case of emergency.
- 2.6** To check whether the organization's assets were safeguarded.
- 2.7** To check the appropriateness of the recruitment process.
- 2.8** To evaluate the procurement process, i.e., goods, materials, medicines, and other purchases were need- and rule-based.

3. AUDIT SCOPE

- 3.1** Audit reviewed program documents and records for the financial years 2011-12 to 2018-19, held focused group discussions with the project director, senior medical officer, and their teams, and visited selected ART centers in Karachi, Hyderabad, Larkana, Ratodero, and Sukkur.
- 3.2** The audit scrutinized the design and operational performance of the project.
- 3.3** The performance audit covered the operations and spectrum of activities of selected sites in Karachi, Hyderabad, Larkana, Ratodero, and Sukkur.
- 3.4** Detailed activity of scrutiny of records of remaining sites could not be carried out due to limited resources and time constraints.

4. AUDIT FINDINGS AND RECOMMENDATIONS

4.1 Organization and Management

4.1.1 Failure in execution of project as per PC-I (2016-19) – Rs. 1,623.339 million

As per details in PC-I (2016-19) at page 09 under the heading Project objectives and its relationship with sectoral objectives, the new phase-II of the scheme for FY 2016-19 will start from July 1, 2016, as agreed in a meeting of the Technical Committee of the Planning and Development Department, Government of Sindh, held on February 17, 2016. The program has a strong relationship with the sectoral objectives and the government's commitment to Sustainable Development Goals. Multi-sectoral approaches with community-based interventions are the main tools to meet the declared objectives of the Fast-Track City Approach. The program will try to reach the identified objectives by the end of the stipulated time by June 2019. This will help in maintaining social and economic impact of the disease in Pakistan in general and in Sindh in particular.

During the performance audit of SACP, it was observed that the project, with a budget of Rs. 1,623.339 million, was poorly managed. Only Rs. 216.176 million (13.32% of the budget) was spent over two years (2017-18 and 2018-19), mainly on salaries and allowances. Only 6.81% of the funds were used for actual project activities **(details at Annexure-1)**.

The project had three main parts, but no work was done on the first two parts. For the third part, focused on governance and institutional framework, 46.1% of the funds were used. Important areas like governance, surveillance mapping, and operational research saw little to no spending. Most of the money, Rs. 145.633 million, went towards salaries. Out of Rs. 8.572 million allocated for monitoring and evaluation, Rs. 6.641 million was spent with little progress, raising concerns about the use of these funds **(details at Annexure-2)**.

The management did not execute the project as per PC-I, which indicates a lack of commitment from the management.

The matter was reported to the management in January 2020. The DAC meeting was held on 15.02.2021, chaired by the Special Secretary instead of PAO. The chair directed verification of all paras without discussing a single para. Apart from it, the management did not submit the record for verification.

Audit recommends immediate execution of project activities as per PC-I, besides furnishing justification of non-implementation to the audit.

(OM#78)

4.1.2 Non-execution of Service Delivery Packages – Rs. 719.060 million

Chapter V, Article 13(1), (2), and (3) of the HIV/AIDS Control, Treatment, and Protection Act 2013, directs that the Working Body advises the Governing Body on promoting safe behaviors and reducing HIV exposure among vulnerable groups. The government and Commission will organize training in behavior change and communication for law enforcement. The Health Department will ensure HIV awareness, confidential counseling, and treatment services. A family health center will operate in all tertiary care facilities.

During the Performance Audit of SACP, it was found that Rs. 719.060 million was allocated in the PC-I (2016-19) for developing and executing Service Delivery Packages, that include prevention by awareness and treatment of HIV/AIDS infected people like sex workers, truckers, jail inmates, etc. **(details at Annexure-3)**. However, the management did not pay attention to such an important function.

Due to negligence on the part of the program manager, the outbreak of HIV-related diseases cannot be ruled out.

The matter was reported to the management in January 2020. The DAC meeting was held on 15.02.2021, chaired by the Special Secretary instead of PAO. The chair directed verification of all paras without discussing a single para. Apart from it, the management did not submit the record for verification.

Audit requires why the management ignored implementation of Service Delivery Packages within stipulated time despite availability of funds besides fixing of responsibility.

(OM#76)

4.1.3 Ineffective working of treatment centers

As per Article 84 of the Audit Code, “it is an essential function of the Audit to bring to light not only cases of clear irregularities but every matter which in its judgment appears to involve improper expenditure or waste of public money or stores, even though the accounts may be in order.”

During the performance audit of SACP, it was noticed that seven centers were planned to be established between 2016 and 2019, according to the PC-I, but only four were established by 2019. The current program manager established three centers, but most positions remained vacant due to poor recruitment and staffing. This lack of staff is hindering the program's goals and effectiveness in treating people living with HIV, potentially leading to HIV outbreaks. The current situation highlights the need for improved recruitment and staffing.

The matter was reported to the management in January 2020. The DAC meeting was held on 15.02.2021, chaired by the Special Secretary instead of PAO. The chair directed verification of all paras without discussing a single para. Apart from it, the management did not submit the record for verification.

Audit recommends ensuring availability of key human resources in treatment centers.

(OM#43)

4.1.4 Failure in recruitment of project staff

As per PC-I (2016-19), “The hiring of human resources at district and tertiary care family health centers will be facility-based/specific and non-transferable. The transfer or shifting of staff from the place of hiring through whatever source or channel will be considered as termination from the job and immediate stoppage of salary. The

facility-specific hiring of staff will help in overcoming the issue of non-functioning of the centers due to transfer or deputation of the staff. Due to this problem, only 10% of surveillance centers and STI clinics are attending the cases and reporting properly.”

During the performance audit of SACP, it was observed that there were 134 sanctioned posts in the PC-I, which must be recruited accordingly. However, even after a lapse of almost 9 years, staff was not hired in the project; instead, most of the significant posts were filled by deputing the staff from the Health Department Govt. of Sindh without observing the job description/criteria envisaged in the PC-I. Furthermore, personnel on the key posts, such as Program Manager and Deputy Program Manager, were transferred in and out frequently. Hence, the desired targets of the project have not been achieved. From 2016-19, the project has failed abruptly as no significant activities have been initiated; instead, a major portion of the expenditure was incurred on salaries of project staff, including a huge amount of project allowance.

The matter was reported to the management in January 2020. The DAC meeting was held on 15.02.2021, chaired by the Special Secretary instead of PAO. The chair directed verification of all paras without discussing a single para. Apart from it, the management did not submit the record for verification.

Audit recommends that recruitment as per the job description envisaged in the PC-I be made so that the right person is placed in the right place for effective results.

(OM#66)

4.1.5 Non-execution of surveillance of the project

The PC-I (2016-19) outlines three components of a project focusing on governance, capacity building, program management, and HIV response. The new phase II of the scheme will begin in July 2016 and align with the government's Sustainable Development Goals. The program will use multi-sectoral approaches and community-based interventions to achieve its objectives by June 2019.

During the Performance Audit of SACP, it was found that two rounds of Mapping of Most at Risk Populations (MARPs) were planned for 2016-17 and 2017-

18, according to PC-I. These mappings, covering 7 cities in the first round and 8 cities in the second round, were intended to understand the geographical distribution of MARPs and to inform future Service Delivery Packages. However, no such mappings were conducted from 2016 to 2019.

Adding to it, the Integrated Biological & Behavioural Surveillance (IBBS), which should have been conducted during this period, was not carried out. This meant that there was no assessment of the effectiveness of SDPs in reducing HIV incidence in Sindh or a detailed behavioural evaluation of MARPs.

In the fiscal year 2018-19, one round of Antenatal Care Surveillance (ANC) with 20,000 samples was planned in major cities of Sindh, which would also not be conducted. Furthermore, despite past HIV outbreaks among the general population and people who inject drugs (PWIDs), the planned outbreak investigations were neglected. These investigations are crucial for understanding how HIV spreads, assessing the behaviour of MARPs, and preventing further transmission. They also help identify potential hidden infection hotspots in other districts and cities (**details at Annexure-4**).

Non-execution of surveillance activities indicates that the status of HIV among the general population was not gauged so that the incidence of HIV among the general population could be reduced. This shows gross negligence on the part of the management.

The matter was reported to the management in January 2020. The DAC meeting was held on 15.02.2021, chaired by the Special Secretary instead of PAO. The chair directed verification of all paras without discussing a single para. Apart from it, the management did not submit the record for verification.

The audit recommends that maximum surveillance activities be covered to reduce the incidence of HIV among the general population and the strategy for controlling AIDS be revised accordingly.

(OM#73)

4.1.6 Establishment of Anti Retro Viral Therapy (ART) Centres without provision in PC-I

According to Appendix 18-A of Sindh Financial Rules, Volume-I, “Every officer should realize fully and clearly that he will be held personally responsible for any loss sustained by government through fraud or negligence on his part and that he will also be held responsible for any loss arising from fraud and negligence on the part of any other government office to the extent to which it may be shown that he contributed to the loss by his own actions or negligence.”.

During the performance audit of SACP, it was observed that anti-retroviral therapy (ART) centers in the following districts were established that were not included or mandatory under the PC-I.

1. Taluka Hospital Ratodero, where adults, children, and pregnant ladies can get themselves tested and treated under one roof. This seems a unique facility (one-stop service) in Sindh at Ratodero. It can be said a center of excellence in Pakistan.
2. A dedicated pediatric treatment center at the children's hospital, Chandika Medical College Hospital, Larkana.
3. Anti-Retro Therapy (ART) Center Badin
4. ART center Sanghar.
5. ART center, KMC Hospital, Khairpur.
6. ART center, Jacobabad Institute of Medical Sciences, Jacobabad.
7. ART center, Abdullah Shah Institute of Medical Sciences Sehwan, District Jamshoro.

However, staff was not posted in these centers. The program manager stated that the staff shall be provided with the support of the National AIDS Control Program, and NACP will advertise the posts, viz., computer operators, counselors, and lab technicians, in the near future.

Audit is of the view that establishment of ART centers is good work, but this work is out of the scope of the project. Moreover, establishment of centers without timely hiring and posting of the staff entails wastage of resources.

The matter was reported to the management in January 2020. The DAC meeting was held on 15.02.2021, chaired by the Special Secretary instead of PAO. The chair directed verification of all paras without discussing a single para. Apart from it, the management did not submit the record for verification.

The audit recommends that the management should focus on the PC-I, or should have got PC-I revised and appropriate measures be taken to avoid the wastage of resources associated with the AIDS Control Program.

(OM#53)

4.1.7 Delay in the establishment of Sindh AIDS Commission

As per Section 4(1) of the Sindh HIV and AIDS Control Treatment and Protection Act, 2013 “Government shall, within fifteen days from the date of promulgation of this Act, by notification in the official Gazette, establish a Commission for the prevention, control, care, support, and treatment of HIV and AIDS in the Province of Sindh.”.

During the performance audit of SACP, it was observed that the commission was to be formed as soon as the commencement of Act 2013, but the same was not formed until 2018. Due to this delay, the Act was not implemented in letter and spirit. The Sindh AIDS Control Program was not supervised properly due to the non-functioning of the Commission for a long period of 5 to 6 years; resultantly, the end users were not benefited in terms of stigma discrimination and interventions of Service Delivery Packages. Moreover, the high-risk population was not addressed properly, and the control of HIV infection was suffered.

The matter was reported to the management in January 2020. The DAC meeting was held on 15.02.2021, chaired by the Special Secretary instead of PAO. The chair directed verification of all paras without discussing a single para. Apart from it, the management did not submit the record for verification.

Audit recommends that measures be taken to implement the Act timely to control AIDS.

(OM#67)

4.1.8 Establishment of Counselling and Testing Centres beyond the scope of PC-I

According to Appendix 18-A of Sindh Financial Rules, Volume-I, “Every officer should realize fully and clearly that he will be held personally responsible for any loss sustained by government through fraud or negligence on his part and that he will also be held responsible for any loss arising from fraud and negligence on the part of any other government office to the extent to which it may be shown that he contributed to the loss by his own actions or negligence.”.

During the performance audit of SACP, it was noted that counselling and testing centres were established in December 2019 in various districts, but no counsellors were posted, causing a lack of pre-counselling for testing. Due to a hiring ban, 134 posts were vacant, affecting the functionality and sustainability of these centres. This lack of proper staffing hinders effective testing and counselling services. This gap could hinder new case diagnosis, reduce referrals, and disrupt continuous medical and treatment services for HIV-positive individuals.

This indicates that the management did not work in line with the guidelines envisaged in the PC-I, i.e., instead of strengthening of the existing centres, new centres without planning were established beyond the scope of PC-I.

The matter was reported to the management in January 2020. The DAC meeting was held on 15.02.2021, chaired by the Special Secretary instead of PAO. The chair directed verification of all paras without discussing a single para. Apart from it, the management did not submit the record for verification.

^Audit recommends that the management should work in line with the guidelines provided in the PC-I to achieve the targets, besides strengthening the existing centres to control and reduce the spreading of AIDS disease.

(OM#18)

4.1.9 Non-provision of screening among general population in the PC-I

According to Appendix 18-A of Sindh Financial Rules, Volume-I, “Every officer should realize fully and clearly that he will be held personally responsible for any loss sustained by government through fraud or negligence on his part and that he will also be held responsible for any loss arising from fraud and negligence on the part of any other government officer to the extent to which it may be shown that he contributed to the loss by his own actions or negligence.”.

During the Performance Audit of SACP, it was observed that a screening camp in Ratodero operated from April 25, 2019, to March 10, 2020, testing 40,602 people for HIV. Total HIV-infected people were 1321 (3.3%), out of which 1023 were children and 298 were adults.

Since HIV testing facilities were established in district headquarter hospitals, civil hospitals, and teaching hospitals, it is imperative to initiate screening of vulnerable residents for better prevention of the spread of disease. However, the effort of the program manager regarding screening was limited, which should be enhanced.

The matter was reported to the management in January 2020. The DAC meeting was held on 15.02.2021, chaired by the Special Secretary instead of PAO. The chair directed verification of all paras without discussing a single para. Apart from it, the management did not submit the record for verification.

Audit recommends that provision be kept in the PC-I for screening among the general population to avoid incidence of outbreak in the area where prevention practices are not being followed.

(OM#46 & 45)

4.1.10 Failure in providing Community and Home-Based Care (CHBC) services

As per Program Objectives of PC-I (2016-19), “creation of an enabling environment so that people living with HIV can access medical, social, and support

services free of cost without stigma and discrimination and adherence to ART reaches to 90% by the end of FY 2018-19.”

During the performance audit of SACP, it was observed that the management failed to provide home-based care for people living with HIV (PLHIV). This care should have included physical, palliative, and terminal care. Physical care involves basic nursing tasks like positioning, mobility, bathing, wound care, skin care, oral hygiene, and nutritional guidance. The management should have also focused on symptom recognition, management, referral, and follow-up to comfort PLHIV.

Pain relief, a crucial part of home-based care, was inadequate. Although aspirin and paracetamol were available, they were not provided in sufficient doses. Trained outreach workers (OWs) could administer stronger pain medications, such as morphine, but neither OWs nor doctors were trained to do so, and these drugs were not provided according to national laws and policies.

Furthermore, the management did not implement palliative care to improve the quality of life for PLHIV and their families. Palliative care should include active and compassionate therapies to manage pain and other issues related to life-threatening illnesses.

This lack of care indicates that the management did not take responsibility for PLHIV or provide effective treatment and relief. The failure was due to the non-initiation of Service Delivery Packages, for which Rs. 1213.273 million had already been allocated but remained unutilized.

The matter was reported to the management in January 2020. The DAC meeting was held on 15.02.2021, chaired by the Special Secretary instead of PAO. The chair directed verification of all paras without discussing a single para. Apart from it, the management did not submit the record for verification.

Audit recommends that Community and Home-Based Care (CHBC) services be provided through Service Delivery Packages to HIV patients.

(OM#20)

4.1.11 Ineffective utilization of ambulance procured for AIDS patients

As per PC-I “Most of the patients diagnosed with HIV/AIDS are below the poverty level and don’t have the resources to meet their traveling expenses and other nutritional requirements. Therefore, provision of ambulances has been incorporated. This is the basic requirement of family health centers to have such services.”

During the performance audit of SACP, it was found that eight ambulances (Suzuki Bolan) were purchased from M/S Suzuki Mandiwala Motors on December 20, 2017, for HIV/AIDS patients. However, there was no evidence of these ambulances being effectively utilized, as there were no records of HIV/AIDS patients being transported. During site visits in Karachi, Sukkur, Larkana, and Hyderabad, it was observed that the project director handed over the ambulances to medical superintendents instead of the in-charge of tertiary care family health centers. Additionally, the procurement of ambulances lacked a rational plan, as they were issued to centers without providing POL (Petrol, Oil, and Lubricants) facilities. This haphazard procurement and allocation of ambulances cast doubts on their usefulness and effectiveness.

The reason for procurement of ambulances without devising mechanisms for their utility needs to be justified.

The matter was reported to the management in January 2020. The DAC meeting was held on 15.02.2021, chaired by the Special Secretary instead of PAO. The chair directed verification of all paras without discussing a single para. Apart from it, the management did not submit the record for verification.

Audit recommends that mechanisms of utilization of assets be devised prior to their procurement. The responsibility be fixed against the person(s) found at fault.

(OM#01)

4.1.12 Inefficiency in carrying out Viral Load tests

A laboratory test measures the amount of HIV in a blood sample, and the subsequent results are reported as the number of copies of HIV RNA per milliliter of blood. Examples of viral load tests include quantitative branched DNA (bDNA),

reverse transcriptase-polymerase chain reaction (RT-PCR), and qualitative transcription-mediated amplification. Viral load tests are used to diagnose acute HIV infection, guide treatment choices, and monitor response to antiretroviral therapy (ART).

During the performance audit of SACP, it was observed that there was no proper mechanism and strategy for referring HIV/AIDS patients for viral load tests on a regular basis within the due date. From the MIS data of HIV/AIDS patients' data (2011 to 2019), it was noticed that 9,538 patients were not referred for viral load tests. As per guidelines, the patients are to be referred for viral load testing within 6 months to monitor ART. Viral load tests are used to diagnose acute HIV infection, guide treatment choices, and monitor response to antiretroviral therapy (ART). Due to non-referral of patients for viral load tests, the intensity and resistance of the virus could not be verified (**details at Annexure-5**).

The matter was reported to the management in January 2020. The DAC meeting was held on 15.02.2021, chaired by the Special Secretary instead of PAO. The chair directed verification of all paras without discussing a single para. Apart from it, the management did not submit the record for verification.

Audit recommends that the patients be referred for viral load tests on a regular basis to know the intensity of resistance and non-resistance viruses after ART.

(OM#04)

4.1.13 Performance of HIV/AIDS tests without Digital Biological Safety Cabinets – Rs. 6.856 million

Biological Safety Cabinets (BSCs) are among the most effective primary containment devices used in laboratories working with infectious agents. They act as primary barriers to prevent the escape of biological aerosols into the laboratory environment. This is important because most laboratory techniques (e.g., centrifuging, pipetting, vortexing, and sonicating) produce inadvertent aerosols that can be readily inhaled by the laboratory worker.

During the performance audit of SACP, it was observed that the digital biological safety cabinets worth Rs. 6.856 million were procured and issued at various Sindh centers, but they were not used, resulting in the failure to achieve the value for

money objective. These cabinets act as primary barriers to prevent biological aerosols from escaping the laboratory environment. Tests were conducted without using these cabinets, leading to public money blockage and an unhealthy laboratory environment.

The matter was reported to the management in January 2020. The DAC meeting was held on 15.02.2021, chaired by the Special Secretary instead of PAO. The chair directed verification of all paras without discussing a single para. Apart from it, the management did not submit the record for verification.

Audit requires justification of why the mechanism for utilization of digital biological safety cabinets was not devised to improve the healthy environment in the laboratories. **(OM#06)**

4.1.14 Increasing number of HIV/AIDS patients.

As per Program Objectives of PC-I (2016-19), “to control or reverse the spread of HIV among the most at-risk population by placing time-tested tools of prevention to keep the epidemic from establishing itself among the general public below 1%.”

During the performance audit of SACP, it was observed that the number of HIV patients had increased from 2011 to 2019. During 2011, HIV among 740 patients was diagnosed, whereas the number of patients increased to 12597 during succeeding years, as shown in the following table. This shows that the preventive mechanism of the program was not in line, and the management has failed to implement its planned strategy. The increase in the number of patients has led the program towards failure.

Year	Total Male	Total Female	Trans-gender	Total	Increased No.
2011	707	33	0	740	
2012	901	51	9	961	+ 221
2023	969	95	2	1,066	+ 105
2014	1,259	95	13	1,367	+ 301
2015	1,394	161	20	1,575	+ 208
2016	1,722	195	18	1,935	+ 360
2017	1,771	241	53	2,065	+ 130
2018	1,742	326	61	2,129	+ 64
June 2019	750	330	39	1,119	
Total	11,215	1,527	215	12,957	

The matter was reported to the management in January 2020. The DAC meeting was held on 15.02.2021, chaired by the Special Secretary instead of PAO. The chair directed verification of all paras without discussing a single para. Apart from it, the management did not submit the record for verification.

Audit recommends that strategy be reviewed and implemented, besides appropriate measures be taken to reduce HIV/AIDS infections.

(OM#07)

4.1.15 Mismanagement in mandatory tests

According to Appendix 18-A of Sindh Financial Rules, Volume-I, “Every officer should realize fully and clearly that he will be held personally responsible for any loss sustained by government through fraud or negligence on his part and that he will also be held responsible for any loss arising from fraud and negligence on the part of any other government office to the extent to which it may be shown that he contributed to the loss by his own actions or negligence.”

During the performance audit of SACP, negligence was observed as WHO standards required TB testing for HIV patients; however, TB testing was not conducted at treatment facilities as per Pre-ART and ART registers. This was a significant omission because adequate treatment of HIV in conjunction with TB evaluation was necessary to prevent higher mortality rates.

Similarly, viral load testing, required for HIV patients by WHO, was not consistently conducted after November 2019, posing risks to the effectiveness of ARV medicines and potential resistance detection.

The matter was reported to the management in January 2020. The DAC meeting was held on 15.02.2021, chaired by the Special Secretary instead of PAO. The chair directed verification of all paras without discussing a single para. Apart from it, the management did not submit the record for verification.

Audit recommends that mandatory tests be managed well to improve the diagnosis and treatment of HIV patients.

(OM#37)

4.1.16 Non-recovery of pay & allowances in violation of regularization order – Rs. 1.000 million

As per Rule-88 of Sindh Financial Rules Volume-I, every government officer is expected to exercise the same vigilance in respect of expenditure incurred from public money, as a person of ordinary prudence would exercise in respect of expenditure of his own money.

During Performance Audit of SACP, it was observed that the following regularized staff has drawn salaries of Rs. 1.000 million approximately over and above their actual pay scale since 25-3-2013 to date i.e., 31-1-2020. It was noted that the staff was regularized w.e.f. 25-3-2013 vide order # SO(G) Regularization- HIV/AIDS Program 2017 dated 17-1-2019.

Sr.#	Name of officer/official	Regularized with designation & grade	Salary drawn with designation & grade
1	Zamir Hussain	Statistical Assistant BPS-11	Superintendent BPS-16
2	Saghir Ahmed Soomro	Office Assistant BPS-11	Logistic & Store In-charge BPS-16
3	Azeemuddin Shaikh	Statistical Assistant BPS-11	Statistical Assistant BPS-14
4	Ms. Shabana Hameed	Receptionist/Telephone Operator BPS-05	Receptionist/Telephone Operator BPS-07
5	Ali Gul	Lab Attendant BPS-3	Dispatch Rider BPS-04

The matter was reported to the management in January, 2020. The DAC meeting was held on 15.02.2021 chaired by Special Secretary instead of PAO. The chair directed verification of all paras without discussing a single para. Apart from it, the management did not submit the record for verification.

Audit recommends that expeditious recovery be made from the officials concerned, and the responsibility may be fixed on the persons(s) at fault.

(OM#60)

4.1.17 Operation of assignment account without establishment of Internal Audit Cell – Rs. 96.038 million

As per letter No.916 /CGAJA.A/RP-2018 (LC) dated:16.10.2018 issued from the office of the Controller General of Accounts Islamabad, Revised Procedure for Operation of Assignment Accounts of Federal Government (Local Currency) was approved by the Finance Division Islamabad and was applicable from 1st July 2018. Para 2. (iii) of this revised procedure of assignment accounts states that the PAO / competent authority, in order to improve internal controls, shall establish an Internal Audit Cell.

During Performance Audit of SACP, it was observed that during the financial year 2018-19, the total payment of Rs. 96.038 million was made through assignment account without observing the above-mentioned rule. Non-observance of rule indicates negligence on the part of management.

The matter was reported to the management in January, 2020. The DAC meeting was held on 15.02.2021 chaired by Special Secretary instead of PAO. The chair directed verification of all paras without discussing a single para. Apart from it, the management did not submit the record for verification.

Audit recommends that Internal Audit Cell be established to improve internal controls.

(OM#68)

4.1.18 Execution of a project without appointment of independent Project Director

According to D.O. letter No. 2(263)/PW/PD/2003 Dated 3/11/2006 issued by Government of Pakistan, Planning Commission Project Wing, it was stated that ECNEC in its meeting directed all the Executing Agencies to appoint independent Project Directors for all the on-going projects costing Rs. 100 million and above. It was also decided that no approval will be given to new projects costing Rs. 100 million and above unless an independent Project Director is included in the PC-I cost estimates.

During Performance Audit of SACP, it was observed that an independent Project Director/Program Manager was not appointed in the project instead various doctors from Health Department Govt. of Sindh were frequently transferred/ posted to the post of Program Manager for a short period of time due to which the progress of the project was affected. Further, the postings of Program Manager were not made after observing job description or criteria envisaged in the PC-I

(Rs. in Million)

Year of Project	Name of the Project	Cost of PC-I
2011 to 2014	Enhances HIV/AIDS Control Program in Sindh	637.161
2016 to 2019	Enhances HIV/AIDS Control Program in Sindh	1,623.338
Total		2,260.499

The matter was reported to the management in January, 2020. The DAC meeting was held on 15.02.2021 chaired by Special Secretary instead of PAO. The chair directed verification of all paras without discussing a single para. Apart from it, the management did not submit the record for verification.

Audit recommends that an independent Program Manager be appointed to achieve the better results from the program.

(OM#14)

4.1.19 Irregular expenditure on purchase of test kits – Rs. 9.373 million

Rule 10 (i) and (iv) of General Financial Rules, volume-I, states that, “every public officer is expected to exercise the same vigilance in respect of expenditure incurred from public money as a person of ordinary prudence would exercise in respect of expenditure of his own money. Public moneys should not be utilized for the benefit of a particular person or section of the community”.

During the Performance Audit of SACP for the year 2011 to 2019, it was discovered that Rs. 9.373 million was spent on purchasing HIV Alere Determine ½ kits without tendering. Upon closer examination, it was found that the Secretary had informed the Cabinet about an outbreak in Rato-Dero, Larkana, requesting an exemption from Rule 16 (e) of SPPRA to procure various testing kits to respond to the outbreak starting from April 24, 2019. The Cabinet granted this exemption, but only one type of kit, Alere Determine Kit, was purchased instead of various types as

requested. Additionally, records of kit usage during the outbreak were unavailable. It was also noted that the Cabinet was misinformed about NACP providing CD4 and Syphilis testing kits when, in fact, all types of testing kits were provided by NACP. Hence, the procurement conducted through M/s HI-Tech Medicos against the granted exemption was irregular.

(Amount in Rupees)

Cheque # & Date	Supply Order # & Date	Particulars	Quantity	Rate	Amount
268651/ 21-6-2019	2249/52 20-6-2019	HIV Alere Determine 1/2 kits	371	19,900	7,382,900
268631/ 20-6-2019	2245/48 20-6-2019	HIV Alere Determine 1/2 kits	100	19,900	1,990,000
				Total	9,372,900

The matter was reported to the management in January, 2020. The DAC meeting was held on 15.02.2021 chaired by Special Secretary instead of PAO. The chair directed verification of all paras without discussing a single para. Apart from it, the management did not submit the record for verification.

Audit recommends that deviation from granted exemption on procurement be reviewed, and in case of deviation from government instruction/policy, responsibility be fixed on the person(s) at fault.

(OM#33)

4.2 Financial Management:

4.2.1 Non-utilization of funds – Rs. 290.44 million

Appendix 18 (a) Section-I of Sindh Financial Rules, Volume-II, states that, “means should be devised to ensure that every Government servant realizes fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part, and that he will be also held personally responsible for any loss arising from fraud or negligence on the part of any other Government servant to the extent to which it may be shown that he contributed to the loss by his own action of culpable negligence”.

During Performance Audit of SACP, it was observed that an amount of Rs. 904.43 million was released to the project, but only an amount of Rs 614.44 million was utilized by the department and rest of the amount of Rs 290.00 million lapsed which comes to 32.06% of total release (**details at Annexure-6**).

The audit is of the view that non-utilization of huge amount of Rs290.40 million reflects poor performance of the management and lack of planning/interest to achieve the targets as envisaged in the PC-Is.

The matter was reported to the management in January, 2020. The DAC meeting was held on 15.02.2021 chaired by Special Secretary instead of PAO. The chair directed verification of all paras without discussing a single para. Apart from it, the management did not submit the record for verification.

Audit recommends that the strategy be revisited to utilize the funds in line with PC-I in order to achieve the targets in timely manner.

(OM#12)

4.2.2 Unnecessary expenditure on purchase of Kits – Rs. 25.286 million

Appendix 18 (a) Section-I of Sindh Financial Rules, Volume-II, states that, “means should be devised to ensure that every Government servant realizes fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part, and that he will be also held personally responsible for any loss arising from fraud or negligence on the part of any other Government servant to the extent to which it may be shown that he contributed to the loss by his own action of culpable negligence”.

During Performance Audit of SACP, it was found that NACP & WHO have provided following kits to SACP. But despite availability of kits, Rs. 25.286 million was expensed by the local office on purchase of testing kits without obtaining non-availability certificate from the concerned donors (**details at Annexure-7**).

Furthermore, it was observed that provision for purchases of various types of kits was kept in PC-I, therein Alere Determine and Combo kits of Rs. 3.48 million

were to be purchased, however only in 2 years, those kits were purchased for Rs. 25.286 million, resulting in excess purchase of Rs. 21.806 million. This also indicates that kits were purchased in an unjustified manner.

(Rs. in Million)

Particulars	Financial Targets				Actual purchased in 2 years	Excess purchases
	2016-17	2017-18	2018-19	Total		
Alere Determine HIV ½ kits Combo (Ag/Ab) (ICT-Rapid)	0.750	1.352	1.378	3.480	25.286	21.806

It was also observed while reviewing the stocks in the store, that 500 quantities of Alere Determine were received from NACP, out of which 250 kits were returned to avoid the expiry of these kits.

The matter was reported to the management in January, 2020. The DAC meeting was held on 15.02.2021 chaired by Special Secretary instead of PAO. The chair directed verification of all paras without discussing a single para. Apart from it, the management did not submit the record for verification.

Audit recommends that the public funds be utilized in line with government rules and regulations, besides taking on board the concerned department before purchase.

(OM#23)

4.2.3 Unnecessary expenditure on purchase of various items/material – Rs. 2.386 million

Appendix 18 (a) Section-I of Sindh Financial Rules, Volume-II, states that, “means should be devised to ensure that every Government servant realizes fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part, and that he will be also held personally responsible for any loss arising from fraud or negligence on the part of any other Government servant to the extent to which it may be shown that he contributed to the loss by his own action of culpable negligence”.

During Performance Audit of SACP, it was observed that during the year 2017-2018 vide supply order # PMEACPS/2578//80 Dated 17/5/2018 an amount of Rs. 5.941 million was incurred on purchase of various items, out of which the following items of Rs. 2.386 million were lying in the store or issued to various centers, but still un-utilized, details are as under:

(Amount in Rupees)

Name of Supplier	Name of Item	Rate	Qty.	Amount
M/s. Tahir Traders	Generator	110,000	9	990,000
	Multimedia with Screen	85,000	9	765,000
	Digital Camera	55,000	9	495,000
	Handy Cam (video cameras)	68,000	2	136,000
Total				2,386,000

The matter was reported to the management in January, 2020. The DAC meeting was held on 15.02.2021 chaired by Special Secretary instead of PAO. The chair directed verification of all paras without discussing a single para. Apart from it, the management did not submit the record for verification.

Audit recommends that the public funds be utilized with due diligence and in line with financial rules.

(OM#24)

4.2.4 Un-authorized expenditure through pre-receipt bills – Rs. 20.411 million

As per letter No.B-I/7-1/98-99, dated 13th July 1998 and letter No. FD/B&E-1/4-1/88/2006(P), dated: 30-10-2006 and 26-04-2007 issued by Finance Department, Government of Sindh, no advance would be drawn on abstract bill without prior approval of Finance Department. Read with payment terms and conditions section # 5(5.1) of the contract agreement regarding procurement of machinery, payment was to be made 100% after delivery of machinery.

During Performance Audit of SACP, it was observed that an amount of Rs. 20.411 million was incurred on account of purchase of machinery and equipment on pre-receipt bills without the approval of Finance Department. Details are as under:

(Amount in Rupees)

Sr. No.	Cheque No.	Work Order Date	Supplier	Item	Amount
1	254771 11-06-2018	2583/87 17-05-2018 & 2573/77 17-05-2018	M/s S.R Traders	Biological Digital Safety Cabinets	6,856,500
				Blood Bank Refrigerator	196,000
				Time Attendance Machine	3,280,200
2	254779 20-06-2018	2558/62 17-05-2018	M/s Hi.Tech Medicos	CD\$ Machine	10,078,716
Total					20,411,416

The matter was reported to the management in January, 2020. The DAC meeting was held on 15.02.2021 chaired by Special Secretary instead of PAO. The chair directed verification of all paras without discussing a single para. Apart from it, the management did not submit the record for verification.

Audit recommends that the payment be made in line with government rules and contract agreement.

(OM#25)

4.2.5 Excess payment on purchases of machinery – Rs. 2.122 million

Rule 10 (i) and (iv) of General Financial Rules, volume-I, states that, “every public officer is expected to exercise the same vigilance in respect of expenditure incurred from public money as a person of ordinary prudence would exercise in respect of expenditure of his own money. Public money should not be utilized for the benefit of a particular person or section of the community”.

During Performance Audit of SACP for the year 2011-2019, it was observed that an expenditure was incurred on purchase of following machinery equipment, therein excess payment of Rs. 2.122 million was made allowing excess rate against approved PC-I. Details are as under:

(Amount in Rupees)

Cheque # & Date	Supply Order # & Date	Suppliers Name	Item(s)	Rate allowed	Rate as per PC-I	Excess rate	Qty	Excess Payment
254797/ 21-6-18	2548/47 17-5-18	M/s Popular International	Digital Centrifuge Machine	241,500	20,000	221,500	2	443,000

(Amount in Rupees)

Cheque # & Date	Supply Order # & Date	Suppliers Name	Item(s)	Rate allowed	Rate as per PC-I	Excess rate	Qty	Excess Payment
254779/ 20-6-18	2558/62 17-5-18	M/s HI TECHI	Alere PIMA CD4 machine	1679786	1,400,000	279786	6	1,678,716
Total								2,121,716

The matter was reported to the management in January, 2020. The DAC meeting was held on 15.02.2021 chaired by Special Secretary instead of PAO. The chair directed verification of all paras without discussing a single para. Apart from it, the management did not submit the record for verification.

Audit recommends that the expenditure be made in line with PC-I.

(OM#26)

4.2.6 Un-justified expenditure on machinery and equipment – Rs. 10.333 million

According to Para 2 (vi) of revised procedure for operation of Assignment accounts circulated by Controller General of Accounts, Islamabad vide letter No.AC-II/1-39/08-Vol-V/632 dated 24-09-2014, “the officers holding Assignment Accounts will ensure that no money is drawn from these accounts unless it is required for immediate disbursement. Moneys will not be drawn for deposit into chest or any bank account. A certificate to this effect will be recorded on the Schedule of Payment mentioned in Para 2 (i) above. The cheques for payments on account of purchases/supplies will be drawn in the name of contractor/supplier”. Read with Rule 170-B (8) of Treasury Rules of the Federal Government, “It shall not be permissible to draw the whole amount authorized or part thereof and to place it in a separate account at the treasury or in a commercial bank”.

During Performance Audit of SACP, for the year 2011-2019 it was observed that an amount of Rs. 10.333 million was incurred on purchase of machinery equipment, the following observations were noticed.

Details are as under:

(Amount in Rupees)

Cheque # & Date	Work Order # & Date	Supplier	Item(s)	Amount
254771/ 11-6-18	2583/87 17-5-18	M/s S.R.	Blood Bank Refrigerator	196,000
	2573/77 17-5-18	Traders	Time Attendance Machine	3,280,200
			Biological Digital Safety Cabinet	6,856,500
Total				10,332,700

- i. Work order issued to 2nd lowest bidder instead of first lowest as bid of 1st lowest was rejected on technical ground. However, literature containing technical specification of the item was not found attached with the record. Hence, audit could not verify the process of bid evaluation.
- ii. Payment was made in advance without delivery of equipment to avoid the lapse of budget in defiance of clause-5.1 of the agreement “term and condition” that payment will be made after 100% delivery/ supply of equipment.
- iii. Details of receipt of delivery and issuance of the same to the centres concerned were also not found attached with the record.

The matter was reported to the management in January, 2020. The DAC meeting was held on 15.02.2021 chaired by Special Secretary instead of PAO. The chair directed verification of all paras without discussing a single para. Apart from it, the management did not submit the record for verification.

Audit requires justification why payment was made before receiving of equipment besides fixing of responsibility.

(OM#27)

4.2.7 Excess expenditure under the head of accounts of contingencies – Rs 6.956 million

According to Para-55 and 97 of General Financial Rules (GFR) Volume-I: "No expenditure should be made for which no prescribed limit has been specified in the original budget estimate of the current financial year. In all applications for sanction of expenditures, it should be distinctly stated: whether provision for the proposed

charge has or has not been made in the budget estimate of the year and if it has not been made whether the funds can be validly re-appropriated."

During Performance Audit of SACP, for the year 2011-2019, it was observed that an expenditure of Rs. 6.956 million was incurred on various head of accounts of contingencies over & above the allocation, whereas the expenditure should have been incurred within the budget allocation. Hence expenditure was incurred in excess. Details are as under:

(Amount in Rupees)

Cheque # & Date	Head of A/c	Released Budget	Expenditure	Excess
254779/20-6-18	CD4 Machine	8,400,000	10,078,716	1,678,716
254760/28-5-18	Alere Determine Kit	750,000	5,710,000	4,960,000
254758/23-5-18	Uni Gold Kit	1,313,000	1,564,000	251,000
	TPHA Kit for Syphilis	281,000	348,000	67,000
Total				6,956,716

The matter was reported to the management in January, 2020. The DAC meeting was held on 15.02.2021 chaired by Special Secretary instead of PAO. The chair directed verification of all paras without discussing a single para. Apart from it, the management did not submit the record for verification.

Audit recommends inquiry into the matter for fixing responsibility on person(s) at fault.

(OM#30)

4.2.8 Irregular expenditure on account of various activities, conference/ seminars – Rs. 4.484 million

As per Rule-88 of Sindh Financial Rules Volume-I, every government officer is expected to exercise the same vigilance in respect of expenditure incurred from public money, as a person of ordinary prudence would exercise in respect of expenditure of his own money.

During the performance audit of SACP, it was observed that expenditure of Rs. 4.484 million was incurred during the years 2015-16 to 2018-19 on account of

awareness events and conferences/seminars under the head of account HIV/AIDS Behavior Change Communication. Following irregularities were noticed: **(details at Annexure-8)**

1. Sindh Sales Tax on Services was not deducted prior to payments.
2. Income tax was not deducted during the advance payment of Rs. 740,680 to M/s Regent Plaza.
3. Schedule, invitation letter to guests and media personnel, and office order regarding social activities (conference, seminar, etc.) were not available.
4. Neither the tender was invited nor the quotations were obtained.
5. Photos/videos of seminars and lists of officers/officials deputed for conferences/seminars were not available.
6. Progress reports of public awareness about protection against HIV/AIDS were not available.

The matter was reported to the management in January 2020. The DAC meeting was held on 15.02.2021, chaired by the Special Secretary instead of PAO. The chair directed verification of all paras without discussing a single para. Apart from it, the management did not submit the record for verification.

Audit requires justification of expenditure without observing formalities.

(OM#31)

4.2.9 Less deduction of income tax – Rs. 1.342 million

According to letter No. ACIR/unit-05/WHT Zone/RTO-III/KHI/2014/178 dated 31/07/2015 regarding changes in rates of deduction under various sections of Income Tax Ordinance 2001 for the tax year 2015 for “Filers” & “Non-Filers” are payable against the rules as follows:

Description		Tax Rate from 01-07-2015 on ward	
		Filers of Tax Return	Non-Filers
Sales of Goods-Section 153(1)(a)			
1	Companies	4%	6%
2	Other than Companies	4.5%	6.5%
Supply of Services-Section 153 (1)(b)			

Description		Tax Rate from 01-07-2015 on ward	
		Filers of Tax Return	Non-Filers
1	Companies	8%	12%
2	Other than Companies	10%	15%
Contract payments to residents' section 153 (1)(c)			
1	Companies	7%	10%
2	Other than Companies	7.5%	10%
Brokerage & Commission Section 233			
1	Advertisement agencies	10%	15%
2	Other cases	12%	15%

During Performance Audit of SACP, it was observed that income tax amounting to Rs. 1.342 million was less deducted from the vendors (NGOs) to whom payments were made on account of various contracts of SDPs which resulted in loss to the government. Details are as under:

(Amount in Rupees)

Name of SDPs/NGOs	Packages /Cities	Contract Amount	Expenditure	Status whether filer or non-filer	Income tax deducted @7%	IT to be deducted @10%	IT due
M/s Ghazi Welfare Association	Package-III, Larkana	14,542,360	14,542,360	Non-filer	1,017,965	1,454,236	436,271
M/s, Aakash Welfare	Package-ii, Hyderabad	21,552,000	21,552,540	Non-filer	1,508,678	2,155,254	646,576
M/s, Mehran Welfare Trust	Package-III, Larkana	8,624,100	8,624,100	Non-filer	603,687	862,410	258,723
Total							1,341,570

The matter was reported to the management in January, 2020. The DAC meeting was held on 15.02.2021 chaired by Special Secretary instead of PAO. The chair directed verification of all paras without discussing a single para. Apart from it, the management did not submit the record for verification.

Audit recommends that expeditious recovery be made from the concerned besides fixing of responsibility on the person(s) at fault.

(OM#34)

4.2.10 Suspicious payment on account of liabilities – Rs. 29.502 million

Appendix 18(a) Section-I of Sindh Financial Rules, Volume-II, states that “means should be devised to ensure that every government servant realizes fully and clearly that he will be held personally responsible for any loss sustained by the government through fraud or negligence on his part, and that he will also be held personally responsible for any loss arising from fraud or negligence on the part of any other government servant to the extent to which it may be shown that he contributed to the loss by his own action of culpable negligence.”.

During the performance audit of SACP, it was observed that liabilities for the period April to June 2013-2014 amounting to Rs. 29.502 million were paid to various NGOs on 23-5-2017 against the payment vouchers that were reported to be misplaced on 25-5-2017. Regarding these misplaced vouchers, NC was lodged, and an undertaking was obtained from the officers concerned prior to issuing new vouchers. However, before submitting the application in the police station, the matter should have been brought to the notice of higher authorities to conduct an inquiry for fixing responsibility against the person(s) at fault. Moreover, all the correspondence was required to be carried out through a note sheet to maintain the record.

The matter was reported to the management in January 2020. The DAC meeting was held on 15.02.2021, chaired by the Special Secretary instead of PAO. The chair directed verification of all paras without discussing a single para. Apart from it, the management did not submit the record for verification.

Audit recommends that the matter of misplaced vouchers for payment of liabilities handled without communicating to higher authorities be explained to avoid any doubt of suspicious payment.

(OM#36)

4.2.11 Non-deduction of Income Tax on basis of the exemption certificate – Rs. 14.918 million

Appendix 18(a) Section-I of Sindh Financial Rules, Volume-II, states that “means should be devised to ensure that every government servant realizes fully and

clearly that he will be held personally responsible for any loss sustained by the government through fraud or negligence on his part, and that he will also be held personally responsible for any loss arising from fraud or negligence on the part of any other government servant to the extent to which it may be shown that he contributed to the loss by his own action of culpable negligence.”.

During the performance audit of SACP, during the years 2011-2012, the various Service Delivery Packages amounting to Rs. 182.600 million were awarded to various NGOs through tender. In this connection, some NGOs submitted the income tax exemption certificate issued under Section 2(36) of the Income Tax Ordinance 2001 read with Rules 211, 212, and 220 of the Income Tax Rules 2002 on the basis of non-profit organization, subject to the condition that these shall file a mandatory yearly income tax return with the regional tax office. However, any income generated from any business activity in this regard is not exempted by virtue of this approval. In this regard, the audit is of the opinion that all the contracts were awarded through tender and concerned NGOs participated in the competition and agreement, and terms and conditions were also signed by the said NGOs, so it cannot be treated as a non-profitable business, but on the ground of these exemption certificates, the local office did not deduct the income tax that was required to be recovered from the concerned NGOs (**details at Annexure-9**).

The matter was reported to the management in January 2020. The DAC meeting was held on 15.02.2021, chaired by the Special Secretary instead of PAO. The chair directed verification of all paras without discussing a single para. Apart from it, the management did not submit the record for verification.

Audit recommends expeditious recovery from the concerned besides fixing responsibility on the persons at fault.

(OM#38)

4.2.12 Payment in contradiction to the observations of Monitoring Committee - Rs. 29.501 million

Appendix 18(a) Section-I of Sindh Financial Rules, Volume-II, states that “means should be devised to ensure that every government servant realizes fully and

clearly that he will be held personally responsible for any loss sustained by the government through fraud or negligence on his part, and that he will also be held personally responsible for any loss arising from fraud or negligence on the part of any other government servant to the extent to which it may be shown that he contributed to the loss by his own action of culpable negligence.”.

During the performance audit of SACP, during the years 2015-2016, an amount of Rs. 29.501 million was paid to the various NGOs on account of liabilities of Service Delivery Packages for the 8th quarter for the period January to March 2014 without compliance with the following observations raised by the Monitoring Committee.

- i. NGOs must ensure risk insurance and data confidentiality.
- ii. NGOs must prepare a registration list with thumb impression, CNIC #, cell #, and complete address.
- iii. An HIV-positive case must be confirmed through a referral lab and must be registered at the treatment center after confirmation.
- iv. NGOs are advised to submit a stakeholder list with whom advocacy was conducted.
- v. NGOs must appoint a Deputy Program Manager (DPM) and Sexually Transmitted Infection (STI) physician along with two outreach workers.
- vi. NGOs must submit training modules to the Sindh AIDS Control Program (SACP).
- vii. NGOs must fulfill the gaps and incomplete work identified by the monitoring committee as soon as possible.
- viii. All voluntary confidential counseling and testing (VCCT) services should be reported in terms of numbers of pre-tests, numbers of post-test counseling, and total number of counseling sessions for harm reduction.
- ix. NGOs should also need to arrange proper incineration of waste.

It was observed that payments were made on a quarterly basis from 1st quarter to 9th quarter after the issuance of the monitoring report. The above-mentioned observations were taken from the 8th quarter monitoring report, which indicates that all the payments were paid to the NGOs without fulfillment of the above basic requirements. The 9th quarter payment was made without monitoring report.

The matter was reported to the management in January 2020. The DAC meeting was held on 15.02.2021, chaired by the Special Secretary instead of PAO. The chair directed verification of all paras without discussing a single para. Apart from it, the management did not submit the record for verification.

Audit recommends that responsibility may be fixed on the person(s) at fault.

(OM#39)

4.2.13 Non-deduction of income tax – Rs. 0.624 million

As per Section 153 (1) of Income Tax Ordinance 2001, every prescribed person making a payment in full or part including a payment by way of advance to a resident 235 person or permanent establishment in Pakistan of a non-resident person- (a) for the sale of goods; (b) for the rendering of services; (c) on the execution of the contract, other than a contract for the sale of goods or the rendering service, shall, at the time of making the payment, deduct tax from the gross amount payable at the rate specified in division III of part III of the first schedule.

During Performance Audit of SACP for the year 2017-18, it was observed that an expenditure of Rs. 13.883 million was incurred on various heads of accounts but income tax amounting to Rs. 0.624 million was not deducted at source while making payments.

(Amount in Rupees)

Chq # & Date	Supplier	Head	Particulars	Payment	I Tax
254771/ 11-06-2018	M/s SR Traders	Procurement of machinery	Various machinery	10,332,700	464,971
254778/ 20-06-2018	-do-	-do-	-do-	3,550,710	159,782
Total				13,883,410	624,753

The matter was reported to the management in January, 2020. The DAC meeting was held on 15.02.2021 chaired by Special Secretary instead of PAO. The chair directed verification of all paras without discussing a single para. Apart from it, the management did not submit the record for verification.

Audit recommends expeditious recovery from the concerned besides fixing responsibility on the person(s) at fault.

(OM#47)

4.2.14 Work orders issued in excess against approved PC-I – Rs. 22.951 million

According to the provision of PC-I of the Enhanced HIV/AIDS Control Program, an amount of Rs. 1.352 million was approved by the management to incur on the purchase of Alere Determine and Alere Determine Combo kits for the 2nd year 2017-18 (means 2018-19).

During the performance audit of SACP, it was observed that the cost of Rs. 1.352 million was kept in PC-I for the purchase of Alere Determine and Alere Determine Combo kits for 2nd year 2017-18 (means 2018-19), but the same were purchased for Rs. 24.303 million, which has resulted in an excess expenditure of Rs. 22.951 million against the provision in the PC-I. This excess expenditure against the provision in the PC-I indicates that either the provision for the items was not kept with a sound technical and financial approach while preparing the PC-I or the expenditure was incurred abruptly in an unjustified manner beyond the provision in the PC-I **(details at Annexure-10)**.

The matter was reported to the management in January 2020. The DAC meeting was held on 15.02.2021, chaired by the Special Secretary instead of PAO. The chair directed verification of all paras without discussing a single para. Apart from it, the management did not submit the record for verification.

Audit recommends that expenditure be made in accordance with PC-I, and in case of deviation, responsibility be fixed on the person(s) at fault.

(OM#51)

4.2.15 Un-authorized drawl of funds on account of advance payment – Rs. 12.799 million

According to Rule-290 of Central Treasury Rules, Volume-I, no money shall be drawn from the Treasury unless it is not required for immediate disbursement.

Further, it is not permissible to draw money from the Treasury in anticipation of demand or to prevent lapses of budget grants.

During the performance audit of SACP, it was observed that an amount of Rs. 12.799 million was drawn on advance bills/invoices on account of the purchase of 6 Nos. CD 4 machines and kits on the last day of closing in the month of June 2018 for the utilization of funds with the collaboration of contractor/supplier M/s HI Tech Medicos. Details are as under:

(Amount in Rupees)

Cheque # & Date	Supply Order # & Date	Particulars	Qty	Rate	Expenditure
254779/20-6-18	2558/62 17-5-18	CD 4 machine	6	1,679,786	10,078,716
254758/20-6-18	2554/57 17-5-18	Alere Determine Combo	80	34,000	2,720,000
				Total	12,798,716

The management paid an advance payment without observing government rules and procedures, which indicates the absence of systematic control and financial indiscipline prevailing in the department.

The matter was reported to the management in January 2020. The DAC meeting was held on 15.02.2021, chaired by the Special Secretary instead of PAO. The chair directed verification of all paras without discussing a single para. Apart from it, the management did not submit the record for verification.

Audit recommends that funds be drawn in strict conformity with central Treasury rules, and in case of any deviation from the rules, responsibility be fixed on the person(s) at fault.

(OM#52)

4.2.16 Non-deduction of General Sales Tax – Rs. 4.299 million

As per Rules 2 (2) and (3) of the Sales Tax Special Procedure (Withholding) Rules, 2007 under S.R.O. 660(1)/2007, Islamabad, the 30th June, 2007, “A withholding agent shall deduct an amount equal to one fifth of the total sales tax shown in the sales tax invoice issued by the supplier and make payment of the balance amount

to him” and “All withholding agents shall make purchase of taxable goods from a person duly registered under Sales Tax Act, 1990, provided that under unavoidable circumstances and for reasons to be recorded in writing, if purchases are made from unregistered persons, the withholding agent shall deduct sales tax at 17% of the value of the taxable supplies made to him from the payment due to the supplier”.

During the performance audit of SACP for the years 2011-2019, it was observed that general sales tax amounting to Rs. 4.299 million was not deducted on account of the purchase of various test kits while making payments to suppliers. Furthermore, the management already paid GST amounting to Rs. 255,000 on purchase of HIV viral load kits via Ch# 226740 dated 02-05-2017, but in 2017-18 and 2018-19 management purchased various kits; neither GST invoice was obtained, nor GST was deducted (**details at Annexure-11**).

The matter was reported to the management in January 2020. The DAC meeting was held on 15.02.2021, chaired by the Special Secretary instead of PAO. The chair directed verification of all paras without discussing a single para. Apart from it, the management did not submit the record for verification.

Audit recommends expeditious recovery from the concerned besides fixing responsibility on the person(s) at fault.

(OM#54)

4.2.17 Non-deduction of Sindh Sales Tax – Rs. 31.852 million

As per the Sindh Sales Tax on Services Act 2011, as amended from time to time, any person responsible for making any payment in full or in part on account of services shall deduct tax at the rate of 14% of the gross amount.

During the performance audit of SACP, it was observed that an amount of Rs. 227.519 million was paid to vendors on account of services, but Sindh Sales Tax amounting to Rs. 31.852 million was not deducted. This has resulted in a loss to the government exchequer (**details at Annexure-12**).

The matter was reported to the management in January 2020. The DAC meeting was held on 15.02.2021, chaired by the Special Secretary instead of PAO. The chair directed verification of all paras without discussing a single para. Apart from it, the management did not submit the record for verification.

Audit recommends expeditious recovery from the concerned besides fixing responsibility on the person(s) at fault.

(OM#59)

4.2.18 Irregular withdrawal of payments in the name of official instead of actual payee – Rs. 1.047 million

As per the revised procedure of Operation of Assignment Account in respect of recording of expenditure, it states that “the officers holding assignment accounts will ensure that no money is drawn from these accounts unless it is required for immediate disbursement. Money will not be drawn for deposit into a chest or any bank account. A certificate to this effect will be recorded on the Schedule of Payment mentioned in Para 2 (i) above. The checks for payments on account of purchases or supplies will be drawn in the name of the contractor or supplier.

Rule 28(2) of Central Treasury Rules volume I: “A government officer supplied with funds for expenditure shall also be responsible for seeing that payments are made to persons entitled to receive them.”

During the performance audit of SACP, it was observed that payments were drawn from the assignment account and transferred in the name of officers for further disbursement to concerned receivers/payees for various types of activities, which stands unjustified and is a violation of laid down procedures, rules, and regulations. Thus, the chances of misappropriation cannot be ruled out.

Details are as under:

(Amount in Rupees)

Sr.#	Cheque No.	Date	Name of Officer/Officials	Amount
1	285538	30.11.2017	Dr. Sikandar Iqbal	159,400

2	285539	30.11.2017	Dr. Aftab Ahmed	159,400
3	285540	30.11.2017	Dr. Rajendar Kumar	159,400
4	254738	24.04.2018	Dr. Aftab Ahmed	569,200
Total				1,047,400

The matter was reported to the management in January 2020. The DAC meeting was held on 15.02.2021, chaired by the Special Secretary instead of PAO. The chair directed verification of all paras without discussing a single para. Apart from it, the management did not submit the record for verification.

Audit recommends payments be made in strict conformity with government rules and regulations, and in case of deviation, responsibility be fixed on the person(s) at fault.

(OM#62)

4.2.19 Unjustified operation of assignment account

As per Finance Division letter # F.2(2)-BR-II/2008-948 dated 12-10-2018, on the subject “Revised procedure for operation of assignment accounts of Federal Government (Local Currency) (i)(vii)- Ministries/Divisions/Depts/Subordinate offices/Projects/Organisations where government funding is an exclusive source of financing and those who submit their claims to AGPR/AG/DAO shall not be allowed assignment accounts.

During the performance audit of SACP, it was observed that the project was exclusively financed by the Sindh Government and did not involve any other source of funding. Funds were released through the development budget. However, most of the expenditure was incurred on the salaries of staff deputed from the Health Department Government of Sindh, as no significant hiring was made in the project. The audit is of the view that salaries should have been routed through non-development funds, and development payments should only be made through development schemes. Thus, there was no reason to operate an assignment account.

The matter was reported to the management in January 2020. The DAC meeting was held on 15.02.2021, chaired by the Special Secretary instead of PAO. The

chair directed verification of all paras without discussing a single para. Apart from that, the management did not submit the record for verification.

Audit recommends that the operation of the assignment account be reviewed in accordance with government rules and regulations to improve the financial discipline.

(OM#64)

4.2.20 Unauthorized payment of project allowance to PC-I(2011-12 to 2013-14) – Rs. 5.293 million

As per Finance Department OM No. FD (SR-III) 5-85/2013 dated 18th July 2013 read in conjunction with Addendum dated 5th November 2011 and Corrigendum dated 11th November 2013, regular employees of “Enhanced HIV/AIDS Control Program (costing Rs. 637.161 million, an ADP Scheme of Health Department, Government of Sindh) are entitled to Project Allowance @ 20% of basic pay.

During the performance audit of SACP, it was observed that payments were made during 2013-14 to 2016-17 in accordance with PC-I (2011-12 to 2013-14), costing Rs. 637.161 million, and payments on account of project allowance were also made accordingly. A project allowance of Rs. 8.229 million was due at 20% of running Basic Pay during 2013-14 to 2016-17. However, an amount of Rs. 13.522 million was paid, which has resulted in an excess payment of Rs. 5.293 million. Details are as under:

(Amount in Rupees)

Financial year	Basic Pay (A01101)	Basic Pay Other Staff (A01151)	Drawn Project Allowance (A01227)	Total Basic Pay	Due Project allowance @20%	Excess payment of Project allowance
2016-17	10,060,773	4,391,428	4,907,470	14,452,201	2,890,440	-2,017,030
2015-16	7,305,266	2,988,325	4,462,503	10,293,591	2,058,718	-2,403,785
2014-15	5,541,857	2,587,618	0	8,129,475	1,625,895	1,625,895
2013-14	5,456,202	2,815,289	4,152,473	8,271,491	1,654,298	-2,498,175
		Total	13,522,446	41,146,758	8,229,352	-5,293,094

The matter was reported to the management in January 2020. The DAC meeting was held on 15.02.2021, chaired by the Special Secretary instead of PAO. The chair directed verification of all paras without discussing a single para. Apart from it, the management did not submit the record for verification.

Audit recommends excess payment of project allowance be recovered from the concerned besides fixing responsibility on the person(s) at fault.

(OM#69)

4.2.21 Unauthorized payment of Non-Practicing Allowance – Rs. 1.358 million

According to Finance Department, Government of Sindh, notification No.FD(SR-III)5/40-2002I, Karachi, Dated: 20th July 2011, “GOS has been pleased to allow/increase the following allowances at the rates described against each for medical doctors on the non-teaching side (general cadets, dentists, dental surgeons, and specialists) w.e.f. 1st July, 2011.”

- i. Non-Practicing Allowance has been increased from Rs. 500/- per month to Rs. 4000/- per month for doctors in BPS-17 & BPS-18 and from Rs. 700/- per month to Rs. 6000/- per month for doctors in BPS-19 & 20.

AND As per Finance Department, Government of Sindh, notification No.FD(B&E-V)9(23) 2011-12, Karachi Dated: 1^{4th} April, 2012; with subject “Payment of additional pay allowance, rural incentive allowance, hard work allowance, casualty medical allowance, non-practicing allowance” directing against office letter No. SO (B)9-75/2003-04 dated: 14-10-2011 on the captioned subject in its Para No. 4: “It may please be noted that non-practicing allowance shall not be admissible for the doctors who are working/posting on administrative posts, meant for non-cadre officers. **READ WITH** As per Office Memorandum, No.F.8(12)R-I0/93-18, Islamabad, dated: 6th February, 2015 Subject Admissibility of Non-Practicing Allowance, states that, “in pursuance of the recommendations of the Wafaqi Mohtasib (Ombudsman) contained in findings dated 08-01-2015 and this division’s O.M. No.F.1(1)-Imp/83, dated 18-08-1983, the undersigned is directed to clarify that Non-Practicing Allowance (NPA) is admissible to a person who is appointed as Medical Officer for which prescribed qualification is MBBS or equivalent and whom private practice is not allowed in the exigencies of service.

During the performance audit of SACP, it was observed that a non-practicing allowance of Rs. 1.358 million was paid to various administrative officers who were working as program managers, deputy program managers, and managers of finance and administration on administrative posts, against the admissibility or without any legal justification or entitlement, in total violation of government rules **(details at Annexure-13)**.

The matter was reported to the management in January 2020. The DAC meeting was held on 15.02.2021, chaired by the Special Secretary instead of PAO. The chair directed verification of all paras without discussing a single para. Apart from it, the management did not submit the record for verification.

Audit recommends payment of non-practicing allowance to doctors who are working on the administrative side be reviewed in strict conformity with government rules and regulations, and in case of deviation therefrom, expeditious recovery from the concerned be made besides fixing responsibility on the person(s) at fault.

(OM#71)

4.2.22 Recovery of un-justified payment on account of “Health Professional Allowance” from various officers – Rs. 3.405 million

According to Finance Department, Government of Sindh, notification No.FD(SR-III)5/40-2002 (B), Karachi, Dated: 20th July 2011, “GOS has been pleased to allow additional pay allowances for doctors on the non-teaching side at the following rates: W.E.F. 1st July 2011;

1. Additional Pay Allowance @ Rs. 15,000/- per month **(currently @ Rs. 28,472/P.M.)** for Medical Officers in BPS-17 (General Cadre & Dentist)
2. Additional Pay Allowance @ Rs. 10,000/- per month **(currently @ Rs. 19,175/- P.M.)** for medical doctors in BPS-18, 19 & 20 (General Cadre, Specialist, Dental Surgeon)

During the performance audit of SACP, it was observed that a health professional allowance amounting to Rs. 3.405 million was made to various administrative officers, who were working as program managers, deputy program

managers, and managers of finance and administration on administrative posts, against the admissibility or without any legal justification or entitlement in total violation of government rules (**details at Annexure-14**).

The matter was reported to the management in January 2020. The DAC meeting was held on 15.02.2021, chaired by the Special Secretary instead of PAO. The chair directed verification of all paras without discussing a single para. Apart from it, the management did not submit the record for verification.

Audit recommends admissibility of Health Professional Allowance on administrative post, i.e., changes in cadre be reviewed in strict conformity with government rules and regulations, and in case of deviation therefrom, expeditious recovery from the concerned be made besides fixing responsibility on the person(s) at fault.

(OM#72)

4.2.23 Miss-classification of expenditure under various heads of accounts – Rs. 2.571 million

Rule-178 of the Sindh Budget Manual states that an officer of the government has no power to sanction any appropriation out of funds placed at his disposal for a central (agency) subject. The administration department may re-appropriate funds from one primary unit to any other such unit provided that:

- a. No re-appropriation is made from one grant to another.
- b. Funds allotted for non-voted expenditure items or vice versa: and
- c. No re-appropriation is made to meet any expenditure other than contingent expenditure, which is likely to involve further outlay in a future financial year.

During the performance audit of SACP, it was noticed that expenditure worth Rs. 2.571 million was incurred under various heads of account. However, the expenditure was booked in the wrong head of accounts, thus making the expenditure misclassified.

Details are as under:

(Amount in Rupees)

Cheque # & Date	Head of A/c	Particulars	Actual head of A/c	Amount
285583/ 30-03-18	A03970 Others	Repair of aluminum doors	Repair of furniture	8,900
		Repair of heavy generator	Repair of equipment	12,800
265210/ 22-06-18	9408 Generic Consumable articles	BP apparatus	Purchase of machinery & equipment	5,800
		Bracket fans		28,800
		Water dispenser		14,500
226707/ 01-02-2017	Purchase of drugs & medicines	Wiral load machine	Purchase of machinery & equipment	2,500,000
Total				2,570,800

The matter was reported to the management in January 2020. The DAC meeting was held on 15.02.2021 chaired by the Special Secretary instead of PAO. The chair directed verification of all paras without discussing a single para. Apart from it, the management did not submit the record for verification.

Audit recommends expenditure be booked under proper head of accounts, and in case of any misclassification, the expenditure needs to be rectified to maintain financial discipline.

(OM#77)

4.2.24 Expenditure without effective surveillance of Service Delivery Packages (SDPs) – Rs. 227.519 million

Appendix 18(a) Section-I of Sindh Financial Rules, Volume-II, states that “means should be devised to ensure that every government servant realizes fully and clearly that he will be held personally responsible for any loss sustained by the government through fraud or negligence on his part, and that he will also be held personally responsible for any loss arising from fraud or negligence on the part of any other government servant to the extent to which it may be shown that he contributed to the loss by his own action of culpable negligence.”.

During the performance audit of SACP, it was observed that the following objectives were to be achieved under PC-I (2011-2014) of Rs. 637.161 million.

- i. To control the incidence of HIV among the most at-risk population (MARPs), especially injecting drug users (IDUs) and male sex workers (Hijras/MSM),
- ii. To place the time-tested tools of prevention to hold the concentrated epidemic in and halt the progress in MARPs and bridging population.
- iii. To reduce and reverse the level of stigmatization of people living with HIV (PLHIV) by creating a supportive system and conducive environment to have a happy life and easy access to medical and social services.
- iv. To coordinate a multispectral, comprehensive, and sustainable response to HIV that is based on evidence, transparency, and accountability and involves various line ministries, civil society, the main target beneficiaries, and the PLHIV and the most at-risk groups.
- v. Identify the gaps for future resource mobilization integration from development partners like GFATM for the long-term sustainability of programs and interventions.

During the years 2011-12 to 2013-2014, an expenditure of Rs. 227.519 million was incurred on execution of Service Delivery Packages. The management was required to monitor the performance as per targets envisaged in the PC-I. However, monitoring reports did not contain the information regarding performance indicators as per the objectives mentioned above. Without measuring the performance of SDPs in accordance with performance indicators, the achievement of objectives could not be ensured **(details at Annexure-15)**.

The matter was reported to the management in January 2020. The DAC meeting was held on 15.02.2021, chaired by the Special Secretary instead of PAO. The chair directed verification of all paras without discussing a single para. Apart from it, the management did not submit the record for verification.

The audit recommends strengthening the surveillance and monitoring of Service Delivery Packages to achieve the targets.

(OM#11)

4.3 Procurement and Contract Management:

4.3.1 Irrational decision of procurement of material prior to establishment of centers – Rs. 39.699 millions

As per SPPRA Rules, 1(x) "mis-procurement" means public procurement in contravention of any provision of the Sindh Public Procurement Act, 2010, any rule, regulation, order, or instruction made thereunder, or any other law in respect thereof, or relating to, public procurement.

(i) "Conflict of Interest" means iv, where an official of the procuring agency engaged in the procurement process has a financial or economic interest in the outcome of the process of procurement, in a direct or an indirect manner. Read with Rule-96 of General Financial Rule, volume-I, states that "it is contrary to the interest of the state that money should be spent hastily or in an ill-considered manner merely because it is available or that the lapse of a grant should be avoided."

During the performance audit of SACP, it was observed that the management procured material, including physical assets and machinery equipment, amounting to Rs. 39.699 million prior to the establishment of tertiary care family health centers. With the passage of time, the physical assets lost their value for money as the same were lying unutilized. During a physical visit at GMC Hospital Sukkur, it was noticed that the LED, fridge, and other materials were not installed; however, the same were shown as issued. This irrational decision of procurement indicates that the funds were spent to avoid lapse without any proper planning. Details are as under:

(Amount in Rupees)

Financial year	Particulars	Amount
2017-18	Machinery Equipment	32,538,520
	Furniture & Fixture	1,060,004
	Purchases of Transport (vehicle)	6,100,320
	Total	39,698,844

The matter was reported to the management in January, 2020. The DAC meeting was held on 15.02.2021 chaired by Special Secretary instead of PAO. The chair directed verification of all paras without discussing a single para. Apart from it, the management did not submit the record for verification.

Audit recommends procurement be made timely as per requirements to utilize the procured articles efficiently.

(OM#02)

4.3.2 Unjustified payment of mobilization advance – Rs. 8.202 million

According to clause 14.2 of the Standard Bidding Documents, the advance payment/Mobilization advance shall be made available to the contractor by the Procuring Agency on the following conditions.

- i. Mobilization Advance up to 10% of the contract price may be paid by the procuring agency to the contractor on the works costing Rs. 2.5 million or above on the following conditions.
 - a. On submission by the contractor of a mobilization advance guarantee for the for the full amount of the advance in the specified form, from a Scheduled Bank in Pakistan, acceptable to the procuring agency.
 - b. Contractor shall pay interest on the mobilization advance at the rate of 10% per annum on the advance: and
- ii. The advance including the interest shall be recovered in 5 equal installments from the 5th R.A. bills and in case the number of the bills is less than 5 then 1/5 of the Advance inclusive of the interest thereon shall be recovered from each bill and the balance together with interest be recovered from the final bill. It may be insured that there is sufficient amount in the final bill to enable recovery of the Mobilization Advance.

During Performance Audit of SACP, it was observed that various works of Rs. 82.023 million were awarded vide work orders # PMEACPS/1843/47 and 1848/52 dated 8/2/2018 to M/s. Connect Marketing Communication (Pvt) Ltd., and an amount of Rs. 8.202 million was paid to contractor on account of 10% mobilization advance against the bank guarantee which expired on 26/03/2019. Furthermore, on the recommendation of internal monitoring report, the contract was declared ceased vide letter No. PMEACPS/2288/92 dated 28/6/2019 on the charges of unsatisfactory works. In this connection, the following observations were noticed.

- i. The mobilization advance was allowed without imposing interest @ 10% per annum in advance, as required under clause (b) of the Standard Bidding Documents.

- ii. The work was declared unsatisfactory, but efforts were not made either to recover the mobilization advance or to forfeit the security deposits. Further, the firm was not declared black-listed from Government contracts despite the bank guarantee expired.
- iii. No clause of penalty on the ground of delay in completion of work or unsatisfactory work was inserted in the agreement.
- iv. During scrutiny of agreements, it was observed that the agreements were executed without consulting with Law Department and under clause 5 of the agreement, the incentive was allowed to the contractor on account of adjustments as the remuneration for inflation @ of 5% after every 12 months without having provision in the PC-I.

(Rs. in Million)

Name of work	Contract Amount	10% Mobilization advance
Special Mobilization Campaign	70.949	7.095
Capacity Building of Health Care Providers in Sindh	11.074	1.107
Total	82.023	8.202

The matter was reported to the management in January, 2020. The DAC meeting was held on 15.02.2021 chaired by Special Secretary instead of PAO. The chair directed verification of all paras without discussing a single para. Apart from it, the management did not submit the record for verification.

Audit recommends agreements be reviewed in line with PC-I to avoid leakages.

(OM#09)

4.3.3 Irregular Expenditure without preparation of Procurement Plan – Rs. 614.45 million

As per SPPRA 2010, Part-II – Procurement of Goods, Works & related services, Rule 11(1) states that “All procuring agencies shall devise a mechanism for planning in detail for all proposed procurements, determining the requirement of the procuring agency, within its available resources and prepare an annual or a longer-term rolling plan, detailing the procurement methods applicable for specific procurements.

During Performance Audit of SACP, it was observed that management incurred an expenditure of Rs. 614.45 million on procurement without preparation of procurement plan which was needed to determine the requirement within available resources. Thus, efficiency, effectiveness, economy, and transparency in entire procurement process would not be observed and measured until the annual procurement plan is devised. Details are as under:

(Rs. in Million)

Year	Allocation	Releases	Expenditure
2011-12	120.60	80.00	52.10
2012-13	252.76	122.75	89.56
2013-14	263.80	130.00	89.82
2014-15	0	83.94	77.62
2015-16	0	100.00	89.24
2016-17	0	0	0
2017-18	303.00	225.65	120.07
2018-19	529.06	162.10	96.04
Total	1,469.22	904.44	614.45

The matter was reported to the management in January, 2020. The DAC meeting was held on 15.02.2021 chaired by Special Secretary instead of PAO. The chair directed verification of all paras without discussing a single para. Apart from it, the management did not submit the record for verification.

Audit recommends procurement be made as per procurement plan, and in case of non-preparation of procurement plan, responsibility may be fix on the person(s) at fault.

(OM#13)

4.3.4 Un-authorized award of work ignoring the directive of Chairmen CPC – Rs. 16.351 million

Appendix 18 (a) Section-I of Sindh Financial Rules, Volume-II, states that, “means should be devised to ensure that every Government servant realizes fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part, and that he will be also held personally responsible for any loss arising from fraud or negligence on the part of any other Government servant to the extent to which it may be shown that he contributed to the loss by his own action of culpable negligence”.

During the performance audit of SACP, in accordance with the minutes of the meeting of the Central Purchase Committee held on March 18, 2019, on account of the purchase of HIV testing kits, consumables, and IEC material, the Provincial Program Manager informed the committee that he had received a representation from M/s. Human Rights Commission South Asia Karachi. They had pointed out that when the sole proprietor of HIV kits, namely ZEDCO, was available, then why was the procurement not being done through them, and that by buying from the sole proprietor, a huge amount of government expenditure could have been saved. The provincial program manager also informed that they had invited the tender according to SPP Rule 2010 and completed all codal formalities. ZEDCO had given the authorization letter to the distributor, M/s. Hitech Medicos, to participate in the tender. He apprised the CPC that the bidder had participated in the tender and had also given an 8% rebate on the quoted rates.

The CPC also advised to take confirmation from M/s. ZEDCO for participation in the tender of 2018-2019. Further, the Minutes of Meeting were signed by the Chairman, Central Procurement Committee, subject to the completion of rules 43(i), 48, and other relevant rules of SPPRA (2) and policy.

In accordance with rule 43(2) of SPPRA 2010, any request for clarification in the bid made by the procuring agency shall invariably be in writing. The response to such a request shall also be in writing.

In this connection, the work amounting to Rs. 16.351 million was awarded to M/s. Hitech Medicos without obtaining clarification from M/s. ZEDCO regarding participation in the tender process for 2018-2019. Details are as under:

(Amount in Rupees)

Cheque #	Date	Particular	Ch. Amount
268631	20/6/2019	HIV/Alere Determine Combo Ag/Ab Test/Kit	1,990,000
268650/51	21/6/2019	HIV/Alere Determine ½	7,382,900
268602/03	18/6/2019	Various Kits	4,686,280
242995	14/6/2019	HIV Unigold Kit	2,291,427
		Total	16,350,607

The matter was reported to the management in January, 2020. The DAC meeting was held on 15.02.2021 chaired by Special Secretary instead of PAO. The chair directed verification of all paras without discussing a single para. Apart from it, the management did not submit the record for verification.

Audit recommends internal controls be strengthened to avoid any favouritism or leakages during the procurement process.

(OM#15)

4.3.5 Doubtful payment on account of purchase of testing Kits – Rs. 6.818 million

Appendix 18(a) Section-I of Sindh Financial Rules, Volume-II, states that “means should be devised to ensure that every government servant realizes fully and clearly that he will be held personally responsible for any loss sustained by the government through fraud or negligence on his part, and that he will also be held personally responsible for any loss arising from fraud or negligence on the part of any other government servant to the extent to which it may be shown that he contributed to the loss by his own action of culpable negligence.”.

During the performance audit of SACP, the work to supply the various testing kits amounting to Rs. 6.818 million was awarded vide supply order # PMEACPS/1135/37 dated 13/12/2016 to M/s. United International. In this regard, the following observations were observed:

- i. The tender documents were not available in the record.
- ii. Under the above work order dated 13/12/2016, according to delivery challans, various supplies were delivered on 16/08/16 before the bid opening date, i.e., 14/10/2016 and some were delivered before the issuance of the work order, but the same were inspected under the chairmanship of the Deputy Program Manager along with two members and accepted by the Inspection Committee for financial proceedings.
- iii. According to the supply order against Sr. # 02, the required quantity was 150 kits, but the supplier delivered 304 no. of kits, out of which 300 kits were inspected by the Inspection Committee in their reports dated 05-01-17 and 20-02-2017 and referred for payments.
- iv. The inspection reports were prepared without quoting any reference to the supply order or delivery challan, also no objection was made for not recording the manufacturing dates, expiry dates, and batch numbers.
- v. The invoices and delivery challans were found without recording the batch numbers, manufacturing dates, and expiry dates.

The matter was reported to the management in January, 2020. The DAC meeting was held on 15.02.2021 chaired by Special Secretary instead of PAO. The chair directed verification of all paras without discussing a single para. Apart from it, the management did not submit the record for verification.

Audit recommends internal controls be strengthened to avoid any favoritism or leakages during procurement process.

(OM#17)

4.3.6 Loss to Government on account of purchase of testing Kits on higher rates – Rs. 1.030 million

Appendix 18(a) Section-I of Sindh Financial Rules, Volume-II, states that “means should be devised to ensure that every government servant realizes fully and clearly that he will be held personally responsible for any loss sustained by the government through fraud or negligence on his part, and that he will also be held personally responsible for any loss arising from fraud or negligence on the part of any other government servant to the extent to which it may be shown that he contributed to the loss by his own action of culpable negligence.”.

During Performance Audit of SACP, it was observed that during 2017-18, various imported kits were purchased at high rates as compared to 2018-2019. The same kits were purchased from the same supplier, M/s HI Tech Medicos, at a low price, even though the dollar rate had increased but the market price of imported kits had been reduced. In this regard, the audit is of the view that either during the year 2017-2018 the kits were purchased on higher rates or during the year 2018-2019 the kits purchased were substandard. Due to this, the government has sustained a loss of Rs. 1.030 million.

Details are as under:

(Amount in Rupees)

Cheque # & Date	Supply Order # & Date	Particulars	Qty	Rate 2017-18	Supply Order # & Date	Rate 2018-19	Difference in rate	Amount
254788/ 21-6-18	2554/57 17-5-18	HIV Alere Determine Combo	80	34,000	2108/11 11-6-19	29,900	4,100	328,000
254760/ 28-5-18	2549/53 17-5-18	HIV Alere Determine 1/2	115	26,000	2249/52 20-6-19	19,900	6,100	701,500
							Total	1,029,500

The matter was reported to the management in January, 2020. The DAC meeting was held on 15.02.2021 chaired by Special Secretary instead of PAO. The chair directed verification of all paras without discussing a single para. Apart from it, the management did not submit the record for verification.

Audit recommends that the procurement process be adhered to with effective monitoring and accountability to curb favouritism or leakages during procurement.

(OM#21)

4.3.7 Irregular expenditure without calling of Tender – Rs. 1.500 million

Rule 17(1) & (2) of Sindh Public Procurement Rules, 2010 states that procurement over one hundred thousand rupees and up to one million rupees shall be advertised by timely notification on the Authority's websites and in print media in the manner and format prescribed in these rules. The advertisement shall appear in at least three widely circulated and leading daily newspapers of English, Urdu, and Sindhi.

During Performance Audit of SACP, it was observed that there was a MoU between the National AIDS Control Program (NACP) and Agha Khan Management to conduct a viral load test free of charge for patients, and thereby the kits were provided by Global Fund through NACP. Despite it, an amount of Rs. 1.500 million was incurred on the purchase of HIV viral load kits without calling of tender to avoid the most economical rates.

(Amount in Rupees)

Cheque # & Date	Supply Order # & Date	Suppliers' name	Particulars	Amount
226741/2-5-2017 & 226740/2-5-2017	1358/60 12-1-2017	M/s Brio gene	HIV viral load kits	1,500,000

The matter was reported to the management in January, 2020. The DAC meeting was held on 15.02.2021 chaired by Special Secretary instead of PAO. The chair directed verification of all paras without discussing a single para. Apart from it, the management did not submit the record for verification.

Audit recommends that procurement be made in strict compliance of Sindh Public Procurement Rules, 2010.

(OM#32)

4.3.8 Non-invitation of tender for repair & maintenance of govt. vehicles – Rs. 5.585 million

As per Rule 17, “Methods of Notification and Advertisement,” of the Sindh Public Procurement Rules, 2010, it provides that:

(1) Procurements over one hundred thousand rupees shall be advertised by timely notifications on the Authority’s website and may be in print media in the manner and format prescribed in these rules.

(2) The advertisement in the newspapers shall appear in at least three widely circulated leading dailies of English, Urdu, and Sindhi.”

During Performance Audit of SACP for the financial years 2014-15 and 2015-16, it was observed that expenditure amounting to Rs. 5.585 million was incurred on account of the repair of government vehicles without observing formalities. Details are as under:

(Amount in Rupees)

Financial Year	Budget	Expenditure
2013-14	455,000	454,607
2014-15	1,000,000	998,310
2015-16	1,000,000	998,310
2016-17	1,000,000	958,062
2017-18	1,200,000	1,072,925
2018-19	1,103,000	1,102,811
	Total	5,585,025

- i. Tender was not invited.
- ii. Sindh Sales Tax on Services was not deducted from the payments.
- iii. Income tax was deducted at 7% instead of 10%.
- iv. The old spare part and repair register was not maintained.

The matter was reported to the management in January, 2020. The DAC meeting was held on 15.02.2021 chaired by Special Secretary instead of PAO. The chair directed verification of all paras without discussing a single para. Apart from it, the management did not submit the record for verification.

Audit recommends that procurement be made in strict compliance of Sindh Public Procurement Rules, 2010.

(OM#35)

4.3.9 Award of work ignoring 1st lowest bidder – Rs. 1.005 million

Rule 10(i) and (iv) of General Financial Rules, volume-I, states that “every public officer is expected to exercise the same vigilance in respect of expenditure incurred from public money as a person of ordinary prudence would exercise in respect of expenditure of his own money. Public money should not be utilized for the benefit of a particular person or section of the community.”.

During Performance Audit of SACP for the year 2011-2019, during scrutiny of the comparative statement, it was observed that the contract for various supplies on account of the purchase of machinery and equipment amounting to Rs. 1.005 million were awarded to a supplier by ignoring the 1st and 2nd lowest bidders in an unjustified manner and without assigning any reasons thereof (**details at Annexure-16**).

The matter was reported to the management in January, 2020. The DAC meeting was held on 15.02.2021 chaired by Special Secretary instead of PAO. The chair directed verification of all paras without discussing a single para. Apart from it, the management did not submit the record for verification.

Audit recommends that procurement be made in strict compliance of Sindh Public Procurement Rules, 2010.

(OM#40)

4.3.10 Irregular expenditure by way of splitting sanction orders – Rs. 4.621 million

According to Rule-12 of SPPRA-2010, Limitation on Splitting or Regrouping of Proposed Procurement (1) Save as otherwise provided and subject to the regulations made by the authority, a procuring agency shall prepare, in accordance with Rule 11 above, all proposed procurements for each financial year and shall proceed accordingly without any splitting or regrouping of the procurements already grouped, allocated, and scheduled in the Procurement Plan.

During Performance Audit of SACP for the year 2011-2019, it was observed that an amount of Rs. 4.621 million was incurred on the purchase of kits and consumable articles by splitting up the work orders and supply orders to avoid the tendering process **(details at Annexure-17)**.

The matter was reported to the management in January, 2020. The DAC meeting was held on 15.02.2021 chaired by Special Secretary instead of PAO. The chair directed verification of all paras without discussing a single para. Apart from it, the management did not submit the record for verification.

Audit recommends that expenditure be made in strict compliance of Sindh Public Procurement Rules, 2010, and in case of splitting the sanction orders to avoid the tender, responsibility may be fixed on the person(s) at fault.

(OM#41)

4.3.11 Irregular expenditure on purchase of machinery equipment – Rs. 5.941 million

Rule 10(i) and (iv) of General Financial Rules, volume-I, states that “every public officer is expected to exercise the same vigilance in respect of expenditure incurred from public money as a person of ordinary prudence would exercise in respect of expenditure of his own money. Public money should not be utilized for the benefit of a particular person or section of the community.”.

During the performance audit of SACP for the years 2011-2019, it was observed that an expenditure of Rs. 5.941 million was incurred on the purchase of machinery equipment, but the following irregularities were noticed. Details are as under:

- i. Unnecessary purchases without establishment of various centers in 2017-18.
- ii. GST @ 17% was paid on various equipment, but it could not be confirmed if the amount was deposited to the concerned department.
- iii. As per provision in PC-I, S.No.20, page No.173, 2 tons of split A.C. were required to be purchased, but management purchased A.C. of 1.5 tons without observing the specification of PC-I.
- iv. 2 A. Cs were purchased for the meeting room, and there was no meeting room available.
- v. A digital camera was purchased at a higher rate of Rs. 55,000 each against the rate provided in PC-I of Rs. 15,000 each.
- vi. Some equipment was purchased on a single bidder basis.
- vii. Details of distribution were not shown to audit.

(Amount in Rupees)

Cheque # & Date	Supply Order # & Date	Suppliers 'name	Particulars	Qty	Rate 2017-18	Amount
254767/ 6-6-18	25718/82 17-5-18	M/s Tahir Traders	Computer, Printer, LED	33	95,000	3,135,000
			Generator	9	110,000	990,000
			Multimedia with screen	9	85,000	765,000
			Air Conditioner	6	70,000	420,000
			Digital Camera	9	55,000	495,000
			Handy Cam video camera	2	68,000	136,000
					Total	5,941,000

The matter was reported to the management in January, 2020. The DAC meeting was held on 15.02.2021 chaired by Special Secretary instead of PAO. The chair directed verification of all paras without discussing a single para. Apart from it, the management did not submit the record for verification.

Audit recommends that procurement be made in strict compliance with Sindh Public Procurement Rules, 2010.

(OM#44)

4.3.12 Irregular expenditure on purchase of Viral Load Machine – Rs. 2.500 million

Rule 10(i) and (iv) of General Financial Rules, volume-I, states that “every public officer is expected to exercise the same vigilance in respect of expenditure incurred from public money as a person of ordinary prudence would exercise in respect of expenditure of his own money. Public money should not be utilized for the benefit of a particular person or section of the community.”

During the performance audit of SACP for the years 2011-2019, it was observed that an expenditure of Rs. 2.500 million was incurred on the purchase of a viral load machine, but the following irregularities were noticed:

- i. It is pertinent to note that there is a signed MoU between NACP and AKU that all viral load tests will be executed by the AKU. Accordingly, the viral load tests are regularly conducted in the AKU. In the presence of this MoU, a viral load test machine was purchased for Rs. 2.500 million for Larkana but was kept useless in the Referred Laboratory Civil Hospital Karachi.
- ii. According to PC-I (2011-2014), the machine was to be procured in the 2nd year, i.e., 2012-13, but was purchased in 2016-17.
- iii. The expenditure was misclassified. The expenditure was booked under the head of drug & medicine (A-03927) instead of the purchase of machinery equipment.
- iv. GST invoice neither obtained/deducted nor exemption certificate was found attached.

- v. As per provision in PC-I, the cost of the machine was Rs. 1,500,000, but the management incurred an expense of Rs. 2,500,000 without quoting the reason for the excess of Rs. 1,000,000.
- vi. Income tax was not deducted.
- vii. The machine was purchased for Larkana Center, but no evidence was found of delivery to the concerned center.

(Amount in Rupees)

Cheque # & Date	Supply Order # & Date	Suppliers 'name	Particulars	Amount
226707/07 21-2-17	1123/26 13-12-16	M/s Brio gene	Viral load machine	2,500,000

The matter was reported to the management in January, 2020. The DAC meeting was held on 15.02.2021 chaired by Special Secretary instead of PAO. The chair directed verification of all paras without discussing a single para. Apart from it, the management did not submit the record for verification.

Audit recommends that procurement be made in strict compliance with Sindh Public Procurement Rules, 2010.

(OM#55)

4.3.13 No procurement planning for ARV medicine.

Rule 10(i) and (iv) of General Financial Rules, volume-I, states that “every public officer is expected to exercise the same vigilance in respect of expenditure incurred from public money as a person of ordinary prudence would exercise in respect of expenditure of his own money. Public money should not be utilized for the benefit of a particular person or section of the community.”.

During the performance audit of SACP, it was observed that ARV medicine had not been purchased by the SACP; however, it is the core medicine in the treatment of HIV-positive patients. This medicine is not manufactured in Pakistan, so this cannot be managed in a short period of time. The medicine is exclusively supplied by NACP after receiving it from foreign donors. If foreign donors discontinue their supplies, the

AIDS Control Program will suffer. Thus, there must be strategic procurement planning and preparation in this regard.

The matter was reported to the management in January, 2020. The DAC meeting was held on 15.02.2021 chaired by Special Secretary instead of PAO. The chair directed verification of all paras without discussing a single para. Apart from it, the management did not submit the record for verification.

Audit recommends that mechanism be devised for availability of ARV medicines through strategic procurement in case of stoppage of supplies from NACP to sustain the project efficiently.

(OM#65)

4.4 Monitoring and Evaluation:

4.4.1 Improper mechanism of documenting the Viral Load Test record

Appendix 18(a) Section-I of Sindh Financial Rules, Volume-II, states that “means should be devised to ensure that every government servant realizes fully and clearly that he will be held personally responsible for any loss sustained by the government through fraud or negligence on his part, and that he will also be held personally responsible for any loss arising from fraud or negligence on the part of any other government servant to the extent to which it may be shown that he contributed to the loss by his own action of culpable negligence.”.

During the performance audit of SACP, it was observed that there was no proper mechanism of documenting the viral load record of HIV/AIDS patients at tertiary care family health centers situated in Chandka Medical Hospital Larkana. The patients’ profile could not be reviewed in real time as the vouchers were placed randomly without affixing the viral load test voucher foil on it.

The matter was reported to the management in January 2020. The DAC meeting was held on 15.02.2021, chaired by the Special Secretary instead of PAO. The chair directed verification of all paras without discussing a single para. Apart from it, the management did not submit the record for verification.

Audit recommends that viral load test records be managed properly to utilize the same in an efficient manner.

(OM#05)

4.4.2 No follow-up of 1629 HIV patients put the public at risk.

Antiretroviral therapy (ART) is the use of HIV medicines to treat HIV infection. People on ART take a combination of HIV medicines (called an HIV treatment regimen) every day. ART is recommended for everyone who has HIV. ART can't cure HIV, but HIV medicines help people with HIV live longer, healthier lives. ART also reduces the risk of HIV transmission. HIV attacks and destroys the infection fighting CD4 cells of the immune system. Loss of CD4 cells makes it hard for the body to fight off infections and certain HIV-related cancers. HIV medicines prevent HIV from multiplying (making copies of itself), which reduces the amount of HIV in the body (also called the viral load). Having less HIV in the body gives the immune system a chance to recover. Even though there is still some HIV in the body, the immune system is strong enough to fight off infections and certain HIV-related cancers. By reducing the amount of HIV in the body, HIV medicines also reduce the risk of HIV transmission. A main goal of ART is to reduce a person's viral load to an undetectable level. An undetectable viral load means that the level of HIV in the blood is too low to be detected by a viral load test. People with HIV who maintain an undetectable viral load have effectively no risk of transmitting HIV to their HIV-negative partner through sex.

During the performance audit of SACP, it was observed from the HIV management information data that the management failed to properly counsel the HIV positive patients; subsequently, no follow-up of 1629 HIV patients for treatment was done. Due to the absence of follow-up of 1629 patients, the risk of HIV transmission among the public has increased. Audit holds the view that project management must inquire into the reasons for the absence of follow-up to reduce the risk of HIV transmission.

The matter was reported to the management in January 2020. The DAC meeting was held on 15.02.2021, chaired by the Special Secretary instead of PAO. The

chair directed verification of all paras without discussing a single para. Apart from it, the management did not submit the record for verification.

Audit recommends that an efficient mechanism be devised to follow up the patients at ART to reduce the risk of HIV transmission among the public.

(OM#08)

4.4.3 Incurrence of expenditure without surveillance of illegal activities

Pakistan's Federal Ministry of Health initiated a National AIDS Prevention and Control Program (NACP) in 1987, with resources concentrated on the establishment of laboratory-based services.

In 1993, the NACP was extended, and Provincial Implementation Units (PIUs) were established and assigned the task of developing provincial AIDS control programs. The National HIV/AIDS Prevention and Control Program and all Provincial AIDS Control Programs were transformed into the Enhanced HIV/AIDS Control Program in July 2002.

During the performance audit of SACP, it was observed that various PC-Is were prepared and millions of rupees were incurred, but on a daily basis, the number of HIV/AIDS patients was increasing. In this regard, the audit observed the following points:

- i. The PC-I of the project did not include provisions for the establishment of dedicated hospitals or specialized wards for the treatment and care of HIV/AIDS patients. Given that HIV/AIDS is a contagious and potentially life-threatening disease, it is crucial to have dedicated facilities or separate wards within general hospitals to effectively manage the condition. The lack of such provisions poses a risk to both the patients and the general population. Isolating HIV/AIDS patients in designated hospitals or wards helps to minimize the risk of transmission to other patients, healthcare workers, and the community at large

- ii. No expenditure was incurred on research work, and they have no specialist in the specific disease; the transfer/posting is the regular feature of this department.
- iii. No action was taken against the illegal blood banks.
- iv. The department was also required to fix the responsibility on the hospital to dispose of the waste material in accordance with the law and rules.
- v. As outlined in the PC-I for the years 2016 to 2019, at least 47 people had died from HIV/AIDS across the Sindh province in 2015 and 2016 (up to March 31). The majority of these deaths and new cases were among drug users who inject drug through syringe. Furthermore, the department has become a significant buyer of disposable syringes, with thousands of syringes still remaining in their stockpiles. According to the provisions of the Syringe Act of 2011, appropriate actions are required to be taken against both the sellers and purchasers of disposable syringes to curb misuse and prevent further spread of HIV/AIDS.

The matter was reported to the management in January 2020. The DAC meeting was held on 15.02.2021, chaired by the Special Secretary instead of PAO. The chair directed verification of all paras without discussing a single para. Apart from it, the management did not submit the record for verification.

The audit recommends that measures should be taken to control the factors responsible for spread of HIV AIDS such as illegal blood banks and use of disposable syringes.

(OM#22)

4.4.4 Issues with Sindh AIDS Control Program

As per Article 84 of the Audit Code, “it is an essential function of the Audit to bring to light not only cases of clear irregularities but every matter which in its judgment appears to involve improper expenditure or waste of public money or stores, even though the accounts may be in order.”

During the performance audit of SACP, the following issues were noticed:

- i. There were no programmatic activity data or records, no cross-tallying or verifying with the stores (physical), i.e., drugs and medicines, to ascertain the quality of AIDS Prevention & Control services throughout Sindh.
- ii. Management information system (MIS) is not as it was thought it would be, i.e., online software/web-based “database” of HIV-positive patients. Instead of MIS, the record was maintained in Microsoft Excel sheets manually at head office level only in terms of number of patients, which may lead to any alteration and misappropriation. Hence, recording data in Excel is not as reliable online software or a web-based “database” should be used to ascertain the core components of programmatic activities.
- iii. Patient’s basic record was maintained in manual at sentimental sites (Nos. 61) rather than maintaining complete record of the patient's basic data and delivery of services, i.e., screening, prevention, diagnostics (PCR), and treatment records, at its head office level. Hence, the core services of this program to prevent and control AIDS throughout the province could not be ascertained and authenticated.

The matter was reported to the management in January 2020. The DAC meeting was held on 15.02.2021, chaired by the Special Secretary instead of PAO. The chair directed verification of all paras without discussing a single para. Apart from it, the management did not submit the record for verification.

Audit recommends that issues be dealt with on a priority basis besides taking remedial measures to improve the performance of the project.

(OM#75)

4.5 Overall Assessment:

A performance audit of SACP was carried out with the objective of evaluating whether the SACP is performing its functions economically, efficiently, and effectively. For the purpose it was planned, to review and analyze the mechanisms of proper diagnosis and prompt treatment of patients, procurement management, human resource management, surveillance systems for monitoring, and mass awareness among the public regarding AIDS disease.

During the activity, major weaknesses were found in the following areas:

- i. The AIDS control mechanism was not effective in reducing HIV patients.
- ii. The program was lacking a human resource management system.
- iii. A lot of HIV-positive patients were not followed up on.
- iv. Viral load tests were not performed on time to assess the resistance of ART treatment or medicine.
- v. Mandatory laboratory tests for aligned diseases like tuberculosis were not performed.
- vi. SACP was fully dependent for ART medicine on NACP without devising any strategy.
- vii. There were gaps in performance measurement of Service Delivery Packages.
- viii. Assets of the program were not safeguarded properly.
- ix. Awareness among the public regarding HIV/AIDS disease was not done properly.
- x. Monitoring work and research work were not found at all.
- xi. Procurement process lacked effective planning and cost effectiveness.
- xii. Program's record keeping practices lacked efficacy and transparency.

5. CONCLUSION

Key issues for the future:

The findings indicate weakness in planning and implementation capacity. The program has failed in its official objective to improve the health of the population, to provide risk protection against HIV/AIDS, or to raise mass awareness for preventing the spread of HIV/AIDS. There is no proper diagnosis mechanism for the general public, due to which the outbreak occurred in Ratodero. No proper operational guidelines have so far been developed; besides, gaps in the performance of surveillance of Service Delivery Packages were also found. The management failed to provide Community and Home-Based Care (CHBC) services. The ambulances procured for AIDS patients were not effectively utilized, as the same were being utilized for general disease patients. The inefficiency in carrying out viral load tests was noticed; subsequently, an increase trend in HIV/AIDS patients was also found. The project has remained inefficient in establishing and maintaining appropriate information and communication systems and infrastructure requirements.

Lessons Learned:

The following lessons were learnt during the course of Audit:

- i. The preventive and testing services should be expanded at the grass-roots level.
- ii. The treatment services should be provided at the doorsteps of the patients to address the issue of adherence.
- iii. All stakeholders must be involved in the decision-making process for an effective collaborative approach.
- iv. The activities should be developed at the district level with ownership from the district government.
- v. More focus needs to be given in districts with the highest number of cases and an increasing number of MARP.
- vi. Priority should be given in contracting single NGO/Firm for the SDPs in order to minimize the administrative cost and maximum investment in interventions.

- vii. The services incorporated in SDPs for MARP should preferably be established within the ambit of the ongoing health system and then made a part of the regular budget.
- viii. The focus of NGOs should be more towards prevention, community mobilization, and primary health care to carry out harm reduction services without any interruption in collaboration with public sector health facilities, even in resource-constrained conditions.
- ix. High-level advocacy should be done with the active role of parliamentarians to get ownership and uninterrupted support.
- x. Internal controls should be strong enough to achieve planned targets.

ACKNOWLEDGEMENT

We wish to express our appreciation to the management and staff of the Sindh AIDS Control Programme for the assistance and cooperation extended to the auditors during this assignment.

Memorandum for Departmental Accounts Committee (MfDAC)

Sr #	Title of Para	OM #
1	Weak internal control over inventory management and physical Assets safeguarding – Rs. 0.359 million	3
2	Award of contracts without furnishing the information to NAB – Rs. 82.023 million	10
3	Recovery of penalty due to late delivery of goods – Rs. 0.477 million	16
4	Illegal purchase of disposable syringes -Rs. 0.237 million	19
5	Non-confirmation of sales tax – Rs. 1.892 million	28
6	Irregular expenditure on purchase of furniture & fixture – Rs. 0.801 million	29
7	Un-authorized retention of departmental vehicles	42
8	Un-authorized payment on TA/DA and Hotel Bills – Rs. 0.198 million	48
9	Excess payment on TA/DA and Hotel Bills – Rs 0.289 million	49
10	Un-authorized expenditure on previous years' liabilities – Rs. 0.404 million	50
11	Irregular expenditure on purchase of Viral Load Test Kits – Rs. 1.500 million	56
12	Un-necessary purchases/blocked of government money – Rs. 0.789 million	57
13	Variation in payment of Non-practice Allowance paid to doctors during 2016-17 – Rs. 0.166 million	58
14	Recovery of excess payment of Non-Practicing Allowance – Rs. 0.112 million	61
15	Loss to government due to non-insurance of official vehicles	63
16	Unjustified payment on account of project allowance – Rs. 26.729 million	70
17	Improper maintenance of main warehouse/ store	74
18	Failure in governance & the institutional framework of the HIV Response	79

ANNEXURES

Annexure-1

4.1.1 Management's failure in execution of a project as per PC-I (2016-19) – Rs. 1,623.339 million

(Rs. in Million)

Sr. #	Details of Components	Expenditure in 2017-18 & 2018-19	Financial Target as per PC-I	Utilization as per PC-I (%)
1	COMPONENT-1 Interventions	53.045	1,213.273	4.370
2	COMPONENT-2 (Advocacy & Communication & Social Mobilization)	15.493	89.929	17.230
3	COMPONENT-3 (Governance and the Institutional Framework of the Response)	147.638	320.137	46.120
Total		216.176	1,623.339	13.320

4.1.1 Utilization of Funds under Component-3

(Rs. in Million)

	Details of Components	PC-I Approved Period			2019-20 Extension phase	Total	Financial Target as per PC-I	Utilization as per PC-I (%)
		2016-17	2017-18	2018-19				
3	COMPONENT-3 (Governance and the Institutional Framework of the Response)							
3.1	Governance	-	-	-	-	-	4.010	0.00
3.2	Capacity Building	-	1.502	0.503	-	2.005	29.938	6.70
3.3	Personnel for Provincial Reference Laboratory	-	5.970	7.122	-	13.092	20.855	62.78
3.4	Operational Expenses for HIV/AIDS Referral Lab	-	8.063	19.000	-	27.063	71.946	37.62
3.5	Program Management Unit(Personal)	-	27.452	29.550	-	57.002	69.768	81.70
3.6	Purchase Physical Assets	-	29.620	-	-	29.620	34.110	86.84
3.7	Operational Expenditures	-	6.010	5.246	-	11.256	29.825	37.74
3.8	Monitoring and Evaluation of the HIV response	-	2.771	3.870	-	6.641	8.572	77.47
3.9	Program M&E Activities	-	0.200	0.400	-	0.600	1.000	60.00
3.10	Trainings related to M&E	-	0.359	-	-	0.359	2.040	17.60
3.11	Surveillance-Mapping	-	-	-	-	-	25.000	0.00
3.12	Operation Research	-	-	-	-	-	7.000	0.00
3.13	3rd Party monitoring	-	-	-	-	-	16.073	0.00
	Total of component-3	-	81.947	65.691	-	147.638	320.137	46.12

Annexure-3

4.1.2 Non-execution of Service Delivery Packages – Rs. 719.060 million

(Rs. in Million)

Service Delivery Packages		Units/total services	2016-17	2017-18	2018-19	Total Cost
PWIDs	PWID Karachi Package	14,422	26.94	67.36	83.08	177.39
	PWID Larkana Package	9,150	17.1	42.74	52.71	112.54
MSWs/HSWs	MSWs/HSWs Karachi Package	13,783	11.93	29.83	36.8	78.56
	MSWs/HSWs Larkana Package	7,060	6.11	15.28	18.85	40.24
FSWs	FSW Karachi Package	22,141	17.15	42.88	52.89	112.92
	FSW Larkana Package	9,495	7.36	18.39	22.68	48.43
PLHIV	PLHIV Karachi Package	17,332	3.3	9.25	13.45	26
	PLHIV Larkana Package (Covering rest of Sindh)	7,428	1.42	3.96	5.76	11.14
MARA	MARA Karachi component	7,819	1.49	4.17	6.07	11.73
	MARA Larkana & Hyd component	5,213	0.99	2.78	4.05	7.82
Truckers	Truckers Karachi Package	16,345	6.21	15.52	19.14	40.86
Jail inmates	Jail Inmates Component-1 Karachi	16,456	6.25	15.62	19.27	41.14
	Jail Inmates Component-1 Larkana	4,114	1.56	3.91	4.82	10.29
Total cost of SDPs						719.06

4.1.5 non-execution of surveillance of the project

S. #	Particulars	Unit	Cost	number	Physical Target			Financial Targets			Total	Physical Progress			Financial Progress			Total
		Defined			2016-17	2017-18	2018-19	2016-17	2017-18	2018-19		2016-17	2017-18	2018-19				
Surveillance and Mapping																		
1	Second Generation Surveillance	Research	10	1	0	0	1	0	0	10	10	0	0	0	0	0	0	0
2	Antenatal Surveillance	Research	5	1	0	1	0	0	5	0	5	0	0	0	0	0	0	0
3	Mapping of High-risk group	Mapping	5	2	0	1	1	0	5	5	10	0	0	0	0	0	0	0
	subtotal formative and outcomes research							0	10	15	25	0	0	0	0	0	0	0
Operation Research for Targeted Interventions																		
1	Research/Outbreak investigation on issues related to HIV/AIDS	Research	1	2	0	1	1	0	1	1	2	0	0	0	0	0	0	0
2	Evaluation Midterm and End Term	Evaluation	2.5	2	0	1	1	0	2.5	2.5	5	0	0	0	0	0	0	0
	Subtotal of Operational Research							0	3.5	3.5	7	0	0	0	0	0	0	0

Annexure-5

4.1.12 Inefficiency in carrying out Viral Load tests

Sr. #	Center	Not Done	Not Suppressed	Suppressed
1	CH Adults	4,466	23	266
2	CMC Larkana	2,547		
3	Shaikh Ziad Larkana	728	6	2
4	LUMHS Hyderabad	626	7	60
5	Liyari GH Karachi	299	1	15
6	CH Peads	264	17	21
7	AKU	205	9	27
8	GMC Sukkur	148	4	16
9	THQ Ratodero	165	1	1
10	JPMC Karachi	58	2	15
11	Abbassi Shaheed	32		
	Grand Total	9,538	70	423

Annexure-6

4.2.1 Non-utilization of funds – Rs. 290.44 million

(Rs. in Million)

Year	Allocation as per PC-I	Release by Finance Department	Expenditure incurred	Amount Surrenders	Utilization % against Release
2011-12	120.60	80.00	52.10	27.90	65.12%
2012-13	252.76	122.75	89.56	33.19	72.96%
2013-14	263.80	130.00	89.82	40.11	69.09%
2014-15	-	83.94	77.62	6.30	92.47%
2015-16	-	100.00	89.24	10.76	89.24%
2016-17	-	-	-	-	0.00%
2017-18	303.00	225.65	120.07	105.58	53.21%
2018-19	529.06	162.10	96.04	66.56	59.25%
Total	1,469.22	904.43	614.44	290.40	67.94%

Annexure-7

4.2.2 Unnecessary expenditure on purchase of Kits – Rs. 25.286 million

(Amount in Rupees)

Sr. #	Cheque # & Date	Supply Order # & Date	Particulars	Qty	Rate	Amount (Rs)
M/s HI-Tech Medicos						
1	268651/ 21-6-2019	2249/52 20-6-2019	HIV Alere Determine 1/2 kits	371	19,900	7,382,900
2	268631/ 20-6-2019	2245/48 20-6-2019	HIV Alere Determine 1/2 kits	100	19,900	1,990,000
3	254758/ 23-5-2018	2254/57 17-5-2018	HIV Alere Determine Combo kits	80	34,000	2,720,000
4	254760/ 23-5-2018	2249/53 17-5-2018	HIV Alere Determine 1/2 kits	115	26,000	2,990,000
5	242993/ 14-6-2019	2112/15 22-5-2019	HIV Alere Determine 1/2 kits	370	19,900	7,363,000
6	242993/ 14-6-2019	2108/11 11-6-2019	HIV Alere Determine Combo kits	95	29,900	2,840,500
					Total	25,286,400

Annexure-8

4.2.8 Irregular expenditure on account of various activities, conference/ seminars - Rs. 4.484 million

(Amount in Rupees)

Sr.#	Cheque No.	Date	Name of Hotel	Amount
1	15937	8/12/2015	M/s Pearl Continental Hotel, Karachi	147,053
2	196458	16-06-2016	M/s Regent Plaza Hotel, Karachi	100,000
3	196459	16-06-2016	M/s Regent Plaza Hotel	556,200
4	196460	16-06-2016	M/s Regent Plaza Hotel	976,366
5	196461	16-06-2016	M/s Decent Lodge House, Sukkur	195,000
6	196452	16-06-2016	M/s Hotel Green Palace & Restaurant Lrk	195,000
7	254730	10.04.2018	M/s Hotel Regent Plaza	128,142
8	254739	24.04.2018	M/s Regent Plaza Hotel	740,680
9	254764	28.05.2018	M/s Regent Plaza Hotel	687,810
10	242964	13.06.2019	M/s Hotel Green Palace	300,000
11	242965	13.06.2019	M/s Hotel Sambara Inn	368,000
12	242966	13.06.2019	M/s Sambara Inn Bar B Q Café	90,000
			Total	4,484,251

Annexure-9

4.2.11 Non-deduction of Income Tax on basis of the exemption certificate – Rs. 14.918 million

(Amount in Rupees)

Sr. #	Name of SDPs/NGOs	Packages/Cities	Total contract amount during 2011-12	Total Amount 2011-14	Status whether filer or non-filer	IT to be deducted @7 or 10% in case of filer or non-filer respectively
1	M/s Pakistan Society	Package-I Karachi	50,359,310	50,359,309	Filer	3,525,152
2	M/s Al Nijat Welfare Society	Package II, Hyderabad	30,811,500	30,811,500	Non-filer	3,081,150
3	M/s Infection Control Society	Package-I, Karachi	26,505,000	26,505,000	Filer	1,855,350
4	M/s Shah Latif Bhitai Society	Package-ii, Hyderabad	15,903,000	15,903,000	Non-filer	1,590,300
5	M/s Shah Latif Bhitai Society	Package III, Larkana	9,751,980	9,751,980	Non-filer	975,198
6	M/s Gender & Reproductive Forum	Package-I, Karachi	12,048,880	12,248,880	Non-filer	1,224,888
7	M/s Bright Educational Society	Package II, Larkana	2,028,000	2,028,000	Non-filer	202,800
8	M/s.The Blessing Foundations	Karachi to Sukkur	19,000,000	19,000,000	Filer	1,330,000
9	M/s Sukkur Blood & Drugs Donating Society		16,192,800	16,192,800	Filer	1,133,496
Total						14,918,384

Annexure-10

4.2.14 Work orders issued in excess against approved PC-I – Rs. 22.951 million

(Amount in Rupees)

Cheque # & Date	Supply Order # & Date	Particulars	Qty	Rate	Amount	PC-I Cost	Excess
M/s HI-Tech Medicos							
268651/ 21-6-2019	2249/52 20-6-2019	HIV Alere Determine 1/2 kits	371	19,900	7,382,900	1,352,000	22,950,900
268631/ 20-6-2019	2245/48 20-6-2019	HIV Alere Determine 1/2 kits	100	19,900	1,990,000		
242993/ 14-6-2019	2112/15 22-5-2019	HIV Alere Determine 1/2 kits	370	19,900	7,363,000		
242993/ 14-6-2019	2108/11 11-6-2019	HIV Alere Determine Combo kits	95	29,900	2,840,500		
268602/ 18-6-2019	2104/7 22 5-2019	HIV Alere Determine Combo kits	5	29,900	149,500		
		HIV Alere Determine 1/2 kits	230	19,900	4,577,000		
				Total	24,302,900	1,352,000	22,950,900

Annexure-11

4.2.16 Non-deduction of General Sales Tax – Rs. 4.299 million

(Amount in Rupees)

Sr. #	Cheque # & Date	Supply Order # & Date	Particulars	Qty	Rate	Amount (Rs)	GST
M/s HI-Tech Medicos							
1	268651/ 21-6-2019	2249/52 20-6-2019	HIV Alere Determine 1/2 kits	371	19,900	7,382,900	1,255,093
2	268631/ 20-6-2019	2245/48 20-6-2019	HIV Alere Determine 1/2 kits	100	19,900	1,990,000	338,300
3	254758/ 23-5-2018	2254/57 17-5-2018	HIV Alere Determine Combo kits	80	34,000	2,720,000	462,400
4	254760/ 23-5-2018	2249/53 17-5-2018	HIV Alere Determine 1/2 kits	115	26,000	2,990,000	508,300
5	242993/ 14-6-2019	2112/15 22-5-2019	HIV Alere Determine 1/2 kits	370	19,900	7,363,000	1,251,710
6	242993/ 14-6-2019	2108/11 11-6-2019	HIV Alere Determine Combo kits	95	29,900	2,840,500	482,885
					Total	25,286,400	4,298,688

Annexure-12

4.2.17 Non-deduction of Sindh Sales Tax – Rs. 31.852 million

(Amount in Rupees)

Name of SDPs/NGOs	Packages/cities	Total contract amount	Total expenditure	Sales tax on services @14%
IDUs (3 PACKAGES)				
M/s Pakistan Society	Package-I Karachi	50,359,310	50,359,309	7,050,303
M/s Al Nijat Welfare Society	Package II, Hyderabad	30,811,500	30,811,500	4,313,610
M/s Ghazi Welfare Association	Package III, Larkana	14,542,360	14,542,360	2,035,930
Sub-total of IDUs		95,713,170	95,713,169	13,399,844
MSM (3 PACKAGES)				
M/s Infection Control Society	Package-I, Karachi	26,505,000	26,505,000	3,710,700
M/s Shah Latif Bhitai Society	Package-ii, Hyderabad	15,903,000	15,903,000	2,226,420
M/s Shah Latif Bhitai Society	Package III, Larkana	9,751,980	9,751,980	1,365,277
Sub-total of MSM		52,159,980	52,159,980	7,302,397
FSW (3 PACKAGES)				
M/s Gender & Reproductive Forum	Package-I, Karachi	12,048,880	12,248,880	1,714,843
M/s, Aakash Welfare	Package-ii, Hyderabad	21,552,000	21,552,540	3,017,356
M/s, Mehran Welfare Trust	Package III, Larkana	8,624,100	8,624,100	1,207,374
Sub-total of FSW		42,224,980	42,425,520	5,939,573
MOST AT RISK ADOLESCENCE				
M/s Bright Educational Society	Package II, Larkana	2,028,000	2,028,000	283,920
LONG DISTANCE TRUCKERS				
M/s.The Blessing Foundations	Karachi to Sukkur	19,000,000	19,000,000	2,660,000
JAIL INMATES				
M/s Sukkur Blood & Drugs Donating Society		16,192,800	16,192,800	2,266,992
Total		227,318,930	227,519,469	31,852,726

Annexure-13

4.2.21 Unauthorized payment of Non-Practicing Allowance – Rs. 1.358 million

(Amount in Rupees)

Sr.#	Name of officer (BPS)s	Designation	Period of posting	Nos. of month	Monthly Rate of NPA	Recoverable amount
1	Dr. Rafique Ahmed Kolachi BPS-19/20	Program Manager	1.7.2011 to 29.8.2011	2	6,000	12,000
2	Dr. Abdul Jabbar Shaikh BPS-19/20	Program Manager	29.8.2011 to 5.3.2012	6	6,000	36,000
3	Dr. Arshad Mehmood BPS-19/20	Program Manager	5.3.2012 to 26.2.2013	12	6,000	72,000
4	Dr. Muhammad Ahmed Kazi, BPS-19/20	Program Manager	26.2.2013 to 29.4.2014	14	6,000	84,000
5	Dr. Muhammad Nafees Qureshi, BPS-19/20	Program Manager	28.5.2014 to 10.9.2014	4	6,000	24,000
6	Dr. Sikandar Ali Shah, BPS-19/20	Program Manager	10.9.2014 to 18.3.2015	6	6,000	36,000
7	Dr. Muhammad Younus Chachar, BPS-19/20	Program Manager	18.3.2015 to 19.1.2019	45	6,000	270,000
8	Dr. Sikander Ali Memon, BPS-19/20	Program Manager	6.2.2019 to 31.1.2020	12	6,000	72,000
9	Dr. Syed Qamar Abbas, BPS-18/19	Deputy Program Manager	1.7.2011 to 1.2.2013	20	4,000	80,000
10	Dr. Muhammad Ismail Memon, BPS-18/19	Deputy Program Manager	19.4.2013 to 10.10.2013	5	4,000	20,000
11	Dr. Tanweer Fatima, BPS-18/19	Deputy Program Manager	10.10.2013 to 16.4.2014	6	4,000	24,000
12	Dr. Pritam Jesrani, BPS-18/19	Deputy Program Manager	20.5.2014 to 18.9.2015	3	4,000	12,000
13	Dr. Syed Farhat Abbas, BPS-18/19	Deputy Program Manager	12.10.2015 to 7.3.2016	4	4,000	16,000
14	Dr. Saqib Ali Shaikh, BPS-18/19	Deputy Program Manager	7.3.2016 to 31.1.2020	47	4,000	188,000
15	Manager F & Admin		1.7.2011 to 31.1.2020	103	4,000	412,000
					Total	1,358,000

Annexure-14

4.2.22 Recovery of un-justified payment on account of “Health Professional Allowance” from various officers – Rs. 3.405 million

((Amount in Rupees))

Sr.#	Name of officers (BPS)	Designation	Period of posting	Nos. of month	Monthly Rate of HPA	Recoverable amount
1	Dr. Rafique Ahmed Kolachi BPS-19/20	Program Manager	1.7.2011 to 29.8.2011	2	10,000	20,000
2	Dr. Abdul Jabbar Shaikh BPS-19/20	Program Manager	29.8.2011 to 5.3.2012	6	10,000	60,000
3	Dr. Arshad Mehmood BPS-19/20	Program Manager	5.3.2012 to 26.2.2013	12	10,000	120,000
4	Dr. Muhammad Ahmed Kazi, BPS-19/20	Program Manager	26.2.2013 to 29.4.2014	14	10,000	140,000
5	Dr. Muhammad Nafees Qureshi, BPS-19/20	Program Manager	28.5.2014 to 10.9.2014	4	10,000	40,000
6	Dr. Sikandar Ali Shah, BPS-19/20	Program Manager	10.9.2014 to 18.3.2015	6	10,000	60,000
7	Dr. Muhammad Younus Chachar, BPS-19/20	Program Manager	18.3.2015 to 19.1.2019	45	10,000	450,000
8	Dr. Sikander Ali Memon, BPS-19/20	Program Manager	6.2.2019 to 31.1.2020	12	10,000	120,000
9	Dr. Syed Qamar Abbas, BPS-18/19	Deputy Program Manager	1.7.2011 to 1.2.2013	20	10,000	200,000
10	Dr. Muhammad Ismail Memon, BPS-18/19	Deputy Program Manager	19.4.2013 to 10.10.2013	5	10,000	50,000
11	Dr. Tanweer Fatima, BPS-18/19	Deputy Program Manager	10.10.2013 to 16.4.2014	6	10,000	60,000
12	Dr. Pritam Jesrani, BPS-18/19	Deputy Program Manager	20.5.2014 to 18.9.2015	3	10,000	30,000
13	Dr. Syed Farhat Abbas, BPS-18/19	Deputy Program Manager	12.10.2015 to 7.3.2016	4	10,000	40,000
14	Dr. Saqib Ali Shaikh, BPS-18/19	Deputy Program Manager	7.3.2016 to 31.1.2020	47	10,000	470,000
15	Manager F & Admin		1.7.2011 to 31.1.2020	103	15,000	1,545,000
					Total	3,405,000

Annexure-15

**4.2.24 Expenditure without effective surveillance of Service Delivery Packages –
Rs. 227.519 million**

(Amount in Rupees)

Name of SDPs/NGOs	Packages/Cities	Contract	Expenditure
IDUs (3 Packages)			
M/s Pakistan Society	Package-I Karachi	50,359,310	50,359,309
M/s Al Nijat Welfare Society	Package II, Hyderabad	30,811,500	30,811,500
M/s Ghazi Welfare Association	Package III, Larkana	14,542,360	14,542,360
Sub-total of IDUs		95,713,170	95,713,169
MSM (3 Packages)			
M/s Infection Control Society	Package-I, Karachi	26,505,000	26,505,000
M/s Shah Latif Bhitai Society	Package-ii, Hyderabad	15,903,000	15,903,000
M/s Shah Latif Bhitai Society	Package III, Larkana	9,751,980	9,751,980
Sub-total of MSM		52,159,980	52,159,980
FSW (3 Packages)			
M/s Gender & Reproductive Forum	Package-I, Karachi	12,048,880	12,248,880
M/s, Aakash Welfare	Package-ii, Hyderabad	21,552,000	21,552,540
M/s, Mehran Welfare Trust	Package III, Larkana	8,624,100	8,624,100
Sub-total of FSW		42,224,980	42,425,520
Most At Risk Adolescence			
M/s Bright Educational Society	Package II, Larkana	2,028,000	2,028,000
Long Distance Truckers			
M/s.The Blessing Foundations	Karachi to Sukkur	19,000,000	19,000,000
Jail Inmates			
M/s Sukkur Blood & Drugs Donating Society		16,192,800	16,192,800
Grand Total		227,318,930	227,519,469

Annexure-16

4.3.9 Award of work ignoring 1st lowest bidder – Rs. 1.005 million

(Amount in Rupees)						
Cheque # & Date	Supply Order # & Date	Particulars	1st Lowest	2nd Lowest	3rd Lowest	Amount
M/s Popular International						
224797/ 21-6-18	2548/47 17- 5-18	Digital Centrifuge Machine 2 Nos. @ Rs241,500	M/s Scien Tec DM0636 Dlab, USA @Rs185000	M/s Hospicare System Germany Z206A @Rs225,000	M/s Popular International Pvt Ltd Humax 4K Small capacity Bench Top Centriguge/Humane Germany @Rs241500	485,000
		Binocular Microscope LED 8 Nos. @ Rs64,990	M/s Scien Tec B192 OPTIKA ITALY @Rs55,000	M/s Popular International Pvt Ltd Huma Scope Light LED Microscope Human Germany @Rs64,990	M/s Hospicare System Germany BA210E Motic @Rs135,000	519,920
					Total	1,004,920

Annexure-17

4.3.10 Irregular expenditure by way of splitting sanction orders – Rs. 4.621 million

(Amount in Rupees)

Cheque # & Date	Supply Order # & Date	Suppliers 'name	Particulars	Amount
222907/ 18-1-2019	912/ 15 11-2018	M/s Premium General Traders	Consumable articles	99,576
	913/ 15 11-2018			99,328
	909/ 15 11-2018			99,512
254728/ 10-4-2018	1339/ 07-02-2018	M/s HI Tech Traders	Purchases of kits	95114
	2011-14/ 22-02-2018			92,407
	1981-84/ 22-02-2018			95,144
285567/ 16-1-2018	982-85/ 22-02-2017			87,802
	273-76/ 22-02-2017			95,144
	986-89/ 22-02-2017			99,144
	285-88/ 27-11-2017			97,144
	990-93/ 22-02-2017			95,144
	splitting purchase orders via quotations during FY 2013-14			3,565,277
			Total	4,620,736